

WORLD NEWS

Jail dispute talks to resume

The prison service in England and Wales is expected to return to normal working this week...

Reshuffle this month

A new Education Secretary to replace Sir Keith Joseph will be appointed this month...

British captain killed

British captain David Lycett and two Pakistani crewmen died in an Iranian missile attack...

Labour rule for Norway

Norwegian Labour Party leader Gro Harlem Brundtland said she had agreed to form a minority government...

Sanctuary verdicts

Eight church workers were found guilty in Arizona of smuggling in and hiding refugees...

US subs run aground

Two US nuclear submarines have run aground in Europe, the Pentagon said...

Envoys told to go

Sweden ordered the expulsion of four Czech diplomats and a Czech citizen for spying...

Thatcher to visit Israel

Mrs Thatcher is to visit Israel at the end of the month...

Nurses oppose striking

Delegates to the Royal College of Nursing's annual conference voted not to ballot members on scrapping the union's no-strike rule...

House price rise

House prices rose at an annual rate of 10 per cent last month, the Halifax Building Society said...

China sold out

The sale of the cargo of china plate found in a ship wrecked in 1972 in the South China Sea realised £10.1m...

Punjab cabinet split

Two Punjab cabinet members resigned in protest at the police raid on the Sikhs' Golden Temple in Amritsar...

1,000 held in Chile

More than 1,000 people were arrested in Chilean cities during Labour Day demonstrations...

Money talks

Hong Kong financial experts adjourned a meeting called to discuss a constitution for the colony...

Financial Times

The Financial Times will not be published on Monday.

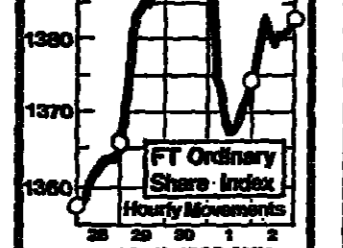
BUSINESS SUMMARY

UK and China in talks on bonds claim

CHINA has at last agreed to negotiate with Britain on bond issues totalling about \$61m...

Settlement of outstanding payments, which include £162m in unpaid interest...

LONDON EQUITIES were more stable on currency considerations. Issues in demand were those likely to benefit from a



lower sterling rate against the dollar. The FT Ordinary Share Index rose 8.9 to 1,382.9...

STC, computers group, plans a joint venture with LSI Logic of US to make specialist chips at the STC microchip plant in Fife...

SAIYO ELECTRIC of Japan plans to merge with an affiliate in a defensive move sparked by the yen's sharp appreciation...

NORTHERN IRELAND Industrial Development Board reported a 45 per cent drop in the new jobs which it promoted in the year to March 31...

AUSTIN ROVER, BL offshoot, has agreed with Baxters Bank to borrow a facility of up to £200m which will replace existing arrangements...

HILLSDOWN HOLDINGS, food and furniture concern, moved to counter the attempt by Tate & Lyle to buy British Sugar without a reference to the Monopolies and Mergers Commission...

TUC ruled that ASTMS and Bifa unions, which are in conflict over bargaining agreements at Sun Alliance, should seek joint negotiating deals there...

PAN AM of US suffered a further heavy net loss in the first quarter—totaling \$118.4m (£7.6m)—despite lower costs and fuel prices...

EASTERN AIRLINES of US is taking legal action in an attempt to force the machinists' union to negotiate over a proposed 15 per cent pay cut...

WAH KWONG, Hong Kong shipping group negotiating a rescue plan, reported 1985 losses of HK\$2.93bn (£245m). Page 11

BRITISH & Commonwealth Shipping, transport and financial services group, is to take control of Bristol-based stockbroker Stock Beach. Page 10

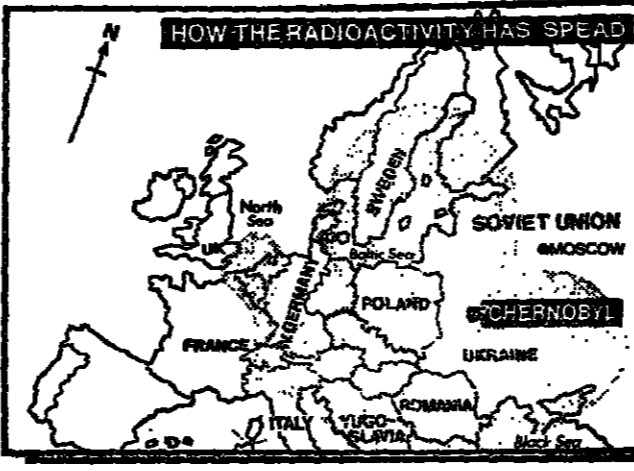
EM GROUP, construction industry supplier in which house-builder C. H. Beazer has a 64 per cent stake, launched a £19.4m bid for Benford Concrete Machinery. Page 10

Some unit trust quotations in today's issue have not been brought up to date because some fund managers were unable to supply prices. This was due to a computer breakdown.

Radioactivity detected over UK as checks on food begin

BY DAVID FISLOCK AND FRONA THOMPSON

RADIOACTIVITY from the Chernobyl reactor disaster in the Soviet Union was detected over south east Britain yesterday but experts said that it did not constitute a health risk...



This statement was backed up yesterday by Dr Donald Acheson, Chief Medical Officer, who again said there was no health risk to the public...

The Department of Health yesterday said travellers returning from areas near the disaster site that simple radiation checks were available to provide reassurance...

checks were being offered at Heathrow for anyone returning from areas close to Chernobyl.

The Foreign Office meanwhile removed Moscow from the list of places it is advising Britons to avoid, though it urged travellers to stay away from Kiev, the western Ukraine, Minsk, Byelorusia, Lithuania and north east Poland unless absolutely necessary.

Elsewhere in Europe, a number of countries yesterday recorded increased levels of radioactivity, although no levels dangerous to humans were reported.

Cannon buys Screen Entertainment

BY RAYMOND SNODDY

CANNON, the US film production and cinema company, yesterday bought the former Thorn EMI Screen Entertainment division from Bond Corporation...

The Star group. It has now added the 107 ABC cinemas, with 287 screens. Cannon said yesterday that this would give it 99 per cent of UK screens, including the 650 independent cinemas...

British film industry and a feeling that the hostile reaction against the original Cannon bid last autumn on the grounds it was not British had been unwise.

The introduction of the Chernobyl disaster into the summit is expected to affect the agenda. Mrs Thatcher is understood to believe that Soviet secrecy undermines any Soviet undertakings on verification in an arms control agreement.

Mr Menahem Golan, Cannon chairman, said yesterday that Cannon would pay Mr Bond more than £150m in cash and the rest in the form of Cannon shares and the Australian rights to 2,000 films in the Screen Entertainment library...

The company said it planned to make 10 film a year at the Elstree studios and would honour Screen Entertainment commitments to British producers. Mr Barry Jenkins, managing director of Cannon Group (UK), will run the enlarged company.

There was a cautious welcome for the deal yesterday from the

Continued on Back Page

Whitbread and Allied-Lyons to merge wine businesses

BY LISA WOOD

WHITBREAD and Allied-Lyons, two of Britain's biggest brewers, yesterday announced the merger of their light wines and wholesaling businesses in the UK and Europe.

kind between two competing brewers, is designed to strengthen their position in the UK light wine market and force a strong base on which to compete internationally.

At the start, the so far unnamed new business will have overseas sales accounting for about 25 per cent of turnover. Whitbread will bring nearly all the overseas earnings with its Calvet (France), Calvet (West Germany) and Langenbach (West Germany) operations.

Continued on Back Page

Summit set to attack secrecy

By Our Foreign Staff

BRITAIN, the US and West Germany are determined to make the Soviet Union's secrecy in the wake of the Chernobyl nuclear disaster an issue at the seven-nation summit which starts in Tokyo tomorrow.

The Soviet leadership meanwhile persisted in its stance that what happened at Chernobyl, near Kiev, last Saturday was of limited significance, with only two fatalities. Soviet officials attacked the Western press for exaggerated reporting and maintained that the fire in the nuclear plant had been put out.

Mr Mikhail Gorbachev, the Soviet leader, pointedly avoided reference to the disaster in a letter yesterday to six prime ministers of neutral, non-aligned countries. The letter, to Argentina, Greece, India, Mexico, Sweden and Tanzania, confines itself to attacking US nuclear tests on April 10 and 22.

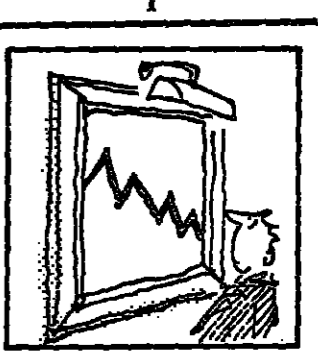
Mr Boris Yeltsin, head of the Moscow Communist Party, said that the West had exaggerated the extent of the disaster at Chernobyl. It was the first statement by a senior Soviet leader on the accident, and may indicate the political line the leadership has decided to take.

Chancellor Kohl told a news conference in Bangkok on his way to Tokyo that he would "insist" on the disaster being discussed. He chided the Soviet

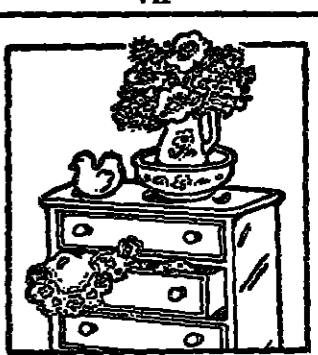
WEEKEND FT



JAPAN Emperor Hirohito, who this week celebrates 60 years on the Chrysanthemum Throne, has become what he was first trained to be—a constitutional monarch.



FINANCE The investment potential in works of art reads less hopefully.



HOW TO SPEND IT Marks and Spencer's latest venture looks—well, a little unconvincing.



TRAVEL North Korea opens its doors to intrepid tourists.

Follow the Leader the quality scotch BELL'S Old Scotch Whisky. Arthur Bell & Sons plc., ESTABLISHED 1825.

MARKETS table with columns for DOLLAR, LONDON MONEY, NORTH SEA OIL, STOCK INDICES, and US LONGTERM RATES.

CONTENTS table listing various articles and their page numbers, including 'The Pru: giant learns new tricks' and 'Prison politics: background to the dispute'.

Senate passes \$1,000bn compromise budget plan

BY STEWART FLEMING IN WASHINGTON

PRESIDENT REAGAN will be able to go into the economic summit meetings in Tokyo claiming that the US economy is still expanding, albeit moderately, and that the chances of congressional action to reduce the federal budget deficit significantly next year cannot yet be written off.

Two Japanese politicians on bribes charges

By Carla Rapoport in Tokyo

FOR THE first time in 10 years, two Japanese politicians have been indicted on charges of accepting bribes from industrialists.

Eastern Airlines seeks to force union to negotiate

BY TERRY DODSWORTH IN NEW YORK

THE BITTER conflict between Eastern Airlines and the Machinists' Union has erupted again in a bizarre legal action in which the US company is using the courts to try to force the union back to the bargaining table for negotiations over a proposed 15 per cent pay cut.

Thatcher to visit Israel this month

By Andrew Whitley in Tel Aviv

MRS Margaret Thatcher is to make the first visit by a British Prime Minister to Israel since the founding of the state in 1948. The visit will take place at the end of this month.

Norway set to have minority government

BY FAY GIESTER IN OSLO

MRS Gro Harlem Brundtland, leader of Norway's Labour Party, yesterday agreed to form a minority Labour Government, following the resignation of the minority three-party coalition led by the Conservative Prime Minister, Mr Kave Willoch.

that would command a majority in parliament. Mr Carl Hagen, leader of the Progress Party, is forming a minority coalition with the two centrist parties unwilling to co-operate.

US-EEC trade talks start

BY WILLIAM DULLFORCE IN GENEVA

THE HEAT was lowered yesterday in the US-EEC conflict over the effect of the Community's enlargement on US trade in farm products with Spain and Portugal.

market prices, have raised the duty barrier on US corn and sorghum from 20 per cent to more than 300 per cent.

S. African business takes stock

By Jim Jones in Johannesburg

SOUTH AFRICAN business and Government yesterday began taking stock of a record strike by the country's African employees in support of demands that May 1, May Day, should become a paid public holiday.

Prem gambles on call to form new Thai government

BY ALAIN CASS

THAILAND faces a time of uncertainty after its longest period of stability under a freely-elected government, following yesterday's dissolution of parliament.

coalition, over a diesel vehicle tax bill. The revolt signals a split in the SAP which had been previously held together by its former leader Kukrit Pramoj.

Sweden expels Czech 'spies'

By Kevin Done in Stockholm

THE Swedish Government has ordered the expulsion of four Czechoslovak diplomats and a fifth Czech citizen for espionage.

MOROCCAN KING IRKED BY STANCE OF LIBYA AND SYRIA

BY RICHARD JOHNS IN FEZ

KING HASSAN of Morocco, deeply angered by what he saw as a failure to honour a firm commitment, cancelled all plans for an immediate Arab summit only hours after foreign ministers had met here on Wednesday night to prepare an agenda.

Punjab cabinet faces split

A FRESH wave of violent and political instability threatened the troubled Indian state of Punjab yesterday, with the resignation of ministers from the cabinet.

DOW CHEMICAL OVERSEAS CAPITAL N.V.

NOTICE OF CALL AND REDEMPTION

Notice is hereby given to the holders of Dow Chemical Overseas Capital N.V. US\$120,000,000 8% guaranteed notes 1986, guaranteed as to payment of principal, premium (if any) and interest by the Dow Chemical Company (the "Notes"), that all of the notes have been called for redemption prior to maturity as of June 16, 1986.

The redemption price of and accrued interest on the notes shall become due and payable on June 16, 1986, and from and after June 16, 1986, interest on the notes shall cease to accrue.

Holders of the notes and of the coupons appertaining thereto will receive payment of the redemption price and accrued interest to which they are entitled upon presentation and surrender thereof at the offices of European American Bank & Trust Company, 10 Hanover Square, New York, New York 10005. Dated this 3rd day of May 1986.

DOW CHEMICAL OVERSEAS CAPITAL N.V.

NOTICE OF CALL AND REDEMPTION

Notice is hereby given to the holders of Dow Chemical Overseas Capital N.V. US\$200,000,000 9 1/2% guaranteed bonds 1984, guaranteed as to payment of principal, premium (if any) and interest by the Dow Chemical Company (the "Bonds"), that all of the bonds have been called for redemption prior to maturity as of June 16, 1986.

The redemption price of and accrued interest on the bonds shall become due and payable on June 16, 1986, and from and after June 16, 1986, interest on the bonds shall cease to accrue.

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Dow Chemical Overseas Capital N.V.

Legal notices

No. 002728 of 1986 IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION IN THE MATTER OF ELECTRONIC DATA PROCESSING AND IN THE MATTER OF THE COMPANIES ACT 1985

Hassan delays summit after deadlock

BY RICHARD JOHNS IN FEZ

by the proposal by Mr Kamal Hassan Mansour, Libya's chief delegate, that any summit should take place at Sebha, Col Gaddafi's home town. As prospective host to the summit and convenor of any meeting until the next full one scheduled at the end of the month, the descendant of the Prophet found the proposal insulting.

BASE LENDING RATES

Table listing various banks and their base lending rates, including ABN Bank, Allied Dunbar & Co, Guinness Mahon, etc.

THE FINANCIAL TIMES is proposing to publish a Survey on VANS AND LIGHT TRUCKS

For further information, please contact COLIN DAVIES on 01-248 8000 Ext 3240 or write to him at the Bracken House, 10 Cannon Street, London EC4A 3DF.

UK before N-pla... Party split threatens Austrian coalition... Prem gambles on call to form new Thai government... Punjab cabinet faces split... DOW CHEMICAL OVERSEAS CAPITAL N.V. NOTICE OF CALL AND REDEMPTION... DOW CHEMICAL OVERSEAS CAPITAL N.V. NOTICE OF CALL AND REDEMPTION... Legal notices... THE FINANCIAL TIMES is proposing to publish a Survey on VANS AND LIGHT TRUCKS... BASE LENDING RATES... MOROCCAN KING IRKED BY STANCE OF LIBYA AND SYRIA... Hassan delays summit after deadlock... S. African business takes stock... Sweden expels Czech 'spies'... Eastern Airlines seeks to force union to negotiate... Two Japanese politicians on bribes charges... Senate passes \$1,000bn compromise budget plan... Norway set to have minority government... US-EEC trade talks start... Thatcher to visit Israel this month

سكنا من الاصل

UK 'will pause' before further N-plant decisions

Secondhand snippets fuel fear on Soviet tourist trail

BY DAVID FISHLICK, SCIENCE EDITOR

A PERIOD of reflection before further decisions are taken about the future of Britain's nuclear power industry was forecast by Mr Eddie Ryder, the Government's chief nuclear inspector, in London yesterday.

Mr Ryder, who heads the Nuclear Installations Inspectorate, described events at the Chernobyl nuclear station in the Ukraine as "the sort of accident the nuclear industry has been designing against ever since it was set up."

"I don't think anything will be quite the same again," he said.

Britain had no bilateral arrangement with the Soviet Union to exchange information on nuclear accidents, as it had with many other countries, and it had received virtually nothing from the Soviet Union itself, even though British nationals were there.

His own speculative analysis of the likely cause of the accident was the same as that of Lord Marshall, CEBG chairman, reported in the Financial Times yesterday.

This was that a leak of steam from a burst pressure tube buried in the 1,000-tonne graphite reactor core had reacted with the red-hot graphite to form hydrogen gas, which had exploded.

It was not a nuclear explosion, but the hydrogen explosion would release radioactive gas and vapours from fuel in the reactor.

Mr Ryder was confident that similar circumstances could not arise in British reactors of the Magnox and advanced gas-cooled reactor (AGR) types.

This was because the graphite is much cooler, less than 500 degrees Celsius compared with 700 degrees Celsius for the Russian RBMK-type reactor, and because there is no water in the British reactors to react with it. The carbon dioxide gas used to cool these reactors is also used to extinguish fires.

Mr Ryder acknowledges that Britain's current reactors have no secondary containment, of the kind which might have prevented any escape of radioactivity even after a major explosion. They were very conservatively designed with a very strong pressure vessel and primary pressure circuit, he said.

The British design of pressurised water reactor, for Sizewell B, had a secondary containment to reduce any risk of an explosion.

The RBMK reactor had features which meant that "we probably wouldn't licence it in this country." He said his inspectorate would be unhappy with a design in which graphite was working as hot as 700 degrees C, although he did not know why this temperature was necessary.

He forecast that the government would not abandon nuclear power following the Chernobyl explosion, but it would abandon any attempt to persuade the public "it couldn't happen here." "The emphasis would change to saying the risk of any serious accident was so remote it was judged acceptable when set against the benefits of nuclear power."

E. German physicist denies military use of Chernobyl

BY LESLIE COLITT IN BERLIN

A PROMINENT East German physicist has claimed that the Soviet nuclear reactor destroyed at Chernobyl did not produce plutonium for military purposes, as had been widely reported in the West.

Dr Karl Lanius, Director of the Institute for High Energy Physics outside East Berlin, said on East German television that the reactor used in the Chernobyl "mode of operation" was only used to produce energy.

The physicist noted there had been "speculation" in the West that the reactor produced plutonium for military use. "This is simply false."

Dr Lanius appeared on television together with the head of the East German Institute for Nuclear Research, Dr Guenter Flach. Both men were trained at the Dubna Nuclear Research Institute near Moscow where Dr Lanius served as a deputy director.

Dr Flach said the 12 years in which the Chernobyl reactor which produced electricity had shown that "in principle it was safe." He noted that intricate technical systems could run into certain troubles, as shown by previous accidents in Western nuclear power stations.

But he said it was incomprehensible that the Chernobyl "technical situation" should be used for a campaign in the West "to discredit the peaceful use of nuclear energy in the Soviet Union."

The remarks by the East German physicist appeared designed to deflect the recent Western criticism of safety standards in Soviet nuclear power stations.

Dr Wolfgang Kreger, head of the East German Office for Nuclear Safety and Radiological Protection also stressed on TV that the Soviet-built pressurised water reactors used in East German nuclear power stations operated under East Germany's "strict safety regulations."

Dr Lanius charged that the goal of the western "media campaign" over Chernobyl was to "divert people's attention from recent Soviet disarmament proposals."

Holidaying in the Soviet Union close to the epicentre of a nuclear disaster makes you hungry for reliable information.

But since last Wednesday when I and most of my 50 Western fellow-travellers first became aware of the accident, we have faced an unappetising choice between monosyllabic Soviet statements relayed through our blank-faced Intourist guide and secondhand snippets from the Western media.

The Soviet people seem unperturbed even in the streets of Kiev, just 60 miles from the nuclear plant.

The item in Tuesday's Pravda which said only two people were dead and that the radioactive cloud was not a danger no doubt alerted sceptical citizens.

One of our less taciturn guides admitted that the authorities generally release only about 10 per cent of any bad news. Nevertheless, there have been no bodies in the streets of Kiev or Moscow and life goes on.

In the hotels where Westerners congregate, some people are less calm. Travel in the Soviet Union is strenuous enough without the added fear of a cloud of death.

In my group, anxieties have been stirred over the past two days by telephone calls to worried relatives back home.

A couple from Dublin reported that Irish TV said 7,000 dead had been dumped in open graves and that no one was being allowed in or out of the country.

A sobbing mother from the Loire Valley heard that 10,000 were dead and there had been more than two explosions. A nurse from Luton said British TV had mentioned 20,000 dead with tens of thousands more evacuated.

"Fascinating," said David Leuthold, professor of political science at the University of Missouri. "I think I will write a paper about it when I get home. Public opinion is one of my subjects."

Prof Leuthold belongs to the most active and accident-prone sub-section of our tour. After two days in Moscow, when the rest of us disappeared into the relative safety of Soviet Central Asia, they took the train to Kiev on Monday night—possibly passing within a few miles of the damaged nuclear plant.

Some are understandably angry they were not officially told of the disaster by

their guide until Wednesday morning.

Sue, a nurse, said: "We knew that our guide knew on Monday night. We were smoking in the train and she told us that one of the guards said to her: 'First there's a nuclear explosion and then they try to burn down my train—and all before the May Day holiday.'"

She was not very worried herself, but would have liked to have had a choice about whether to turn back or not.

A more serious point of irritation is the knowledge, relayed through more than one relative, that some Soviet officials have been telling Western inquirers that no tourists have been allowed to go to Kiev and that all of them have been properly checked for exposure.

Mr Brian Emmett, works director of the Pirelli plant in Carlisle, was more reassuring.

"What dispelled any initial anxiety I had was seeing the TV pictures of the top brass in Kiev taking the salute at the May Day parade on Thursday," he declared.

"If there was any real danger, you can bet they would be 20,000 ft below ground in some bunker."

WHO office kept in ignorance

BY HILARY BARNES IN COPENHAGEN

A STATEMENT by the European Regional Office of the World Health Organisation in Copenhagen on the Chernobyl nuclear accident was notable for the lack of information which WHO has received from the Soviet Union.

WHO has apparently only received the same statement on the accident which has been given to Western ambassadors by the Soviet Foreign Ministry this week. Otherwise, WHO has had to rely on media reports and reports from the Western sources.

"The amount of (radioactive) material released in the present case seems to have been extensive, but the number of people in the area severely exposed has not been reported," it said. "No concrete information has been provided by the source country for the guidance of other countries," WHO complained.

The WHO statement was generally reassuring in regard to the likely effects of radioactive fall-out outside the Soviet Union.

"Most experts indicate that outside the USSR it is unlikely that doses will be high enough to justify depriving children of fresh milk and breast milk will also be safe, it said.

"There is no evidence of radiation doses outside the USSR high enough to increase significantly the normal risk to a foetus," the statement also said.

A majority in the Danish Folketing, consisting of left-wing and centrist parties, is expected to call on the non-socialist government next week to request the Swedish Government to close the Barsebaeck nuclear power station about 20km across the Sound from Copenhagen.

Swedish cows kept indoors

SWEDISH FARMERS have been told not to allow cattle to graze outdoors for at least the next two weeks because of the risk of milk becoming contaminated by radioactivity released from the Soviet nuclear accident at Chernobyl. Kevin Done writes from Stockholm.

The recommendations, issued yesterday by the Swedish National Institute for Radiation Protection, are based on the highest isolated measurements of radioactivity taken in Sweden, which have shown levels as much as 200 times higher than normal background radiation.

French estimate 'tens' of radiation poison victims

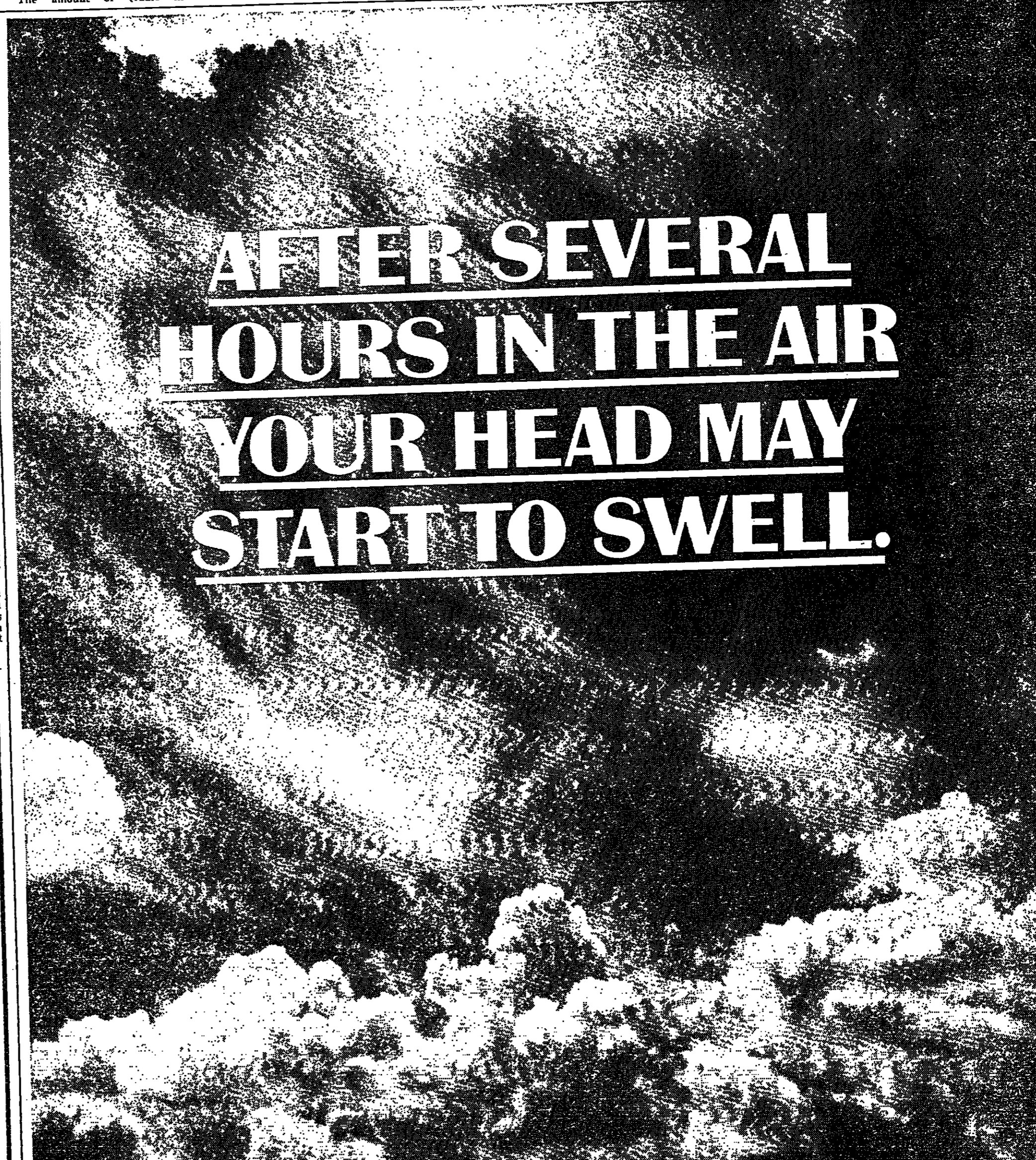
BY DAVID MARSH IN PARIS

FRENCH nuclear experts believe that short-term fatalities caused by the Soviet accident at Chernobyl are likely to amount to "tens of people" caught in the immediate vicinity of the power station.

A senior official from the French Nuclear Safety and Protection Institute (IPSN), part of the Commissariat à l'Energie Atomique, gave this figure yesterday at a press conference arranged by Electricite de France.

Mr Pierre Tanguy, EDF's inspector-general in charge of nuclear safety, said that the figure of two deaths given by the Soviet authorities was "plausible." Although it could be assumed that residents and workers had been evacuated from the power station zone after the first sign of a defect last Friday, several tens of people would probably die from radiation poisoning after the first two weeks of exposure.

The heaviest short-term risks would be concentrated in the first month.



AFTER SEVERAL HOURS IN THE AIR YOUR HEAD MAY START TO SWELL.

Charitable Chancellor?

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Sam Clarke
Director of Fundraising
Oxfam
274 Banbury Road
Oxford OX2 7DZ

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Fall in number of jobs created by Ulster body

BY OUR BELFAST CORRESPONDENT

THE Northern Ireland Industrial Development Board set up by the Government to spearhead the search for new investment, yesterday reported a 45 per cent drop in the number of new jobs which is promoted last year. The number of jobs fell to 2,910 in the year to last March 31, from 5,267 the previous year. This was just over half the annual target of 5,750, which the IDB had set itself. Total investment in Industrial Development Board sponsored projects fell from £300m to £200m, but the IDB said it believed the current year would show a return to growth. The results came at the end of a gloomy week for the Northern Ireland economy, during which Rothmans announced the closure of a cigarette factory near Belfast, with the loss of 800 jobs. Mr John McAllister, chief executive of the industrial development board, said: "After such a bad week, it would be easy to believe that there is an industrial desert in Northern Ireland. That is just not so. There has been £200m of investment in industry of which £132m came from companies with headquarters outside Northern Ireland involving the promise of almost 1,500 new jobs. This is a clear indication

Call for support in US action on PCW

By John Moore

LLOYD'S UNDERWRITING members whose affairs were once managed by the troubled PCW agency have been urged to unite in mounting a £500m legal action in the US. The call was made by a steering group representing 400 underwriting members of Lloyd's insurance market who with another 1,100 underwriting members are facing more than £130m in insurance losses. The steering group is led by Lord Goodman, the lawyer. In the latest legal moves it has gained the support of an independent underwriting agency. Additional Underwriting Agencies (No 3), set up by Lloyd's to protect the PCW underwriting members' interests. The 400 plan a legal campaign in the UK. They allege against Lloyd's and 36 other parties that about £130m of insurance losses were directly linked to irregularities by the then management of the PCW underwriting agency, in which £40m belonging to the underwriting members was secretly diverted. The steering group wrote yesterday to the 400 members, saying Additional Underwriting Agencies (No. 3) had instructed Davis Polk & Wardwell, US lawyer, and Engel & Mulholland, US attorney, to prepare a US complaint on behalf of all members of the stricken PCW underwriting agency. In any legal action in the US, which has been initiated by about 50 of the 400 US lawyers are planning to mount the litigation using the Racketeer Influences and Corrupt Organisations Act 1970 against Lloyd's and other companies in the Lloyd's market.

US drug group to build plant in Irish Republic

BY HUGH CARNERY IN DUBLIN

STERLING DRUG of the US is to invest £113.5m (£113.5m) in a new manufacturing plant in the Republic of Ireland which will employ 150 people by the end of the decade. It is the latest in more than a dozen inward investment projects secured this year with backing by the republic's Industrial Development Authority which, in contrast to the industrial development board in Northern Ireland, has had considerable success in recent months. The Sterling Drug plant at Dungarvan, County Waterford, due to start operations in early 1988, will produce pharmaceuticals initially for export markets. Mr Eddie Collins, Junior Minister for Industry and Commerce, said: "It is a significant coup for Ireland. This will assist us in our international marketing of Ireland as a prime location for world leading companies." There are more than 800 overseas companies in the Republic employing 80,000 people. Notable additions this year include an £820m investment by Yamaguchi of Japan, the first European manufacturing project by a Japanese pharmaceutical concern, and a 380-job expansion by Thermodisc, a pharmaceutical of Emerson Electric of the US.

Price Waterhouse to advise on airports selloff

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

MR NICHOLAS RIDLEY, Secretary for Transport, has appointed Price Waterhouse to advise on the formation of public airport companies, under the Airports Bill now going through parliament. Under the bill, the Government wants local authorities which have hitherto owned airports to turn them into public limited companies where they are large enough — that is, where they have turnovers of £1m or more a year. The aim is to enable those airports eventually to attract private venture capital for expansion, although initially the local authorities may themselves hold the shares in the airport companies. The airports concerned are: Birmingham, Blackpool, Bournemouth, Bristol, Cardiff, East Midlands, Exeter, Humberside, Leeds-Bradford, Luton, Manchester, Newcastle, Norwich, Southampton and Teesside. Provision for this is made in Part Two of the Airports Bill. The bill also provides for privatisation of the British Airports Authority, but this is not part of the Price Waterhouse report. Price Waterhouse has worked closely with the Department of Transport on other matters, including privatisation of the National Bus Company. At the same time it has worked in various ways in other parts of the public sector, including as auditors and reporting accountants in the privatisation of British Gas, as auditors to British Rail, and as advisers to the Water Authorities' Association on privatisation. PW are currently also auditors of five regional water authorities.

BCal to spend £600,000 on Gatwick facilities

BY MICHAEL DONNE

BRITISH Caledonian, the independent airline based at Gatwick Airport, is to spend £600,000 on improving facilities for its first-class and business-class travellers. The scheme includes new lounges for both classes of travellers. The first-class lounge will be purpose-built, replacing the existing Clansman lounge. BCal has selected the British

Hammerson to tap commercial paper market

By Peter Montagnon

HAMMERSON, the property concern, is the first British company to announce its intention to tap the sterling commercial paper market, creation of which was authorised on Tuesday by the Government. Kiewit-Benson, the merchant bank, said yesterday it would act as a dealer that is a distributor of Hammerson's commercial paper as required once the regulations permit. Actual issuing of sterling paper will have to wait until legislation set in motion by the Government this week applies. This is expected to take about three weeks. Commercial paper is a short-term negotiable instrument, issued by companies, that offers investors an alternative to short-term bank deposits. British banks and companies have long wanted to set up such a market in Britain along the lines of the \$300bn (£196bn) market in New York. Bankers, in spite of welcoming the Government's (authorisation) say they will still need time to sort out legal and technical issues before announcing other deals for clients. One foreign company announced plans to tap the market. On Tuesday night S. G. Warburg said it would be the dealer in a £100m borrowing programme for PHH International, the British subsidiary of a US relocation and transport company.

Family-run fish group to demerge

J. MARR and Son, the privately owned shipping and fish processing group, is to demerge into two separate groups. The onshore operation, including fish processing, international fish trading and selling, vessel management and cold storage will be controlled by Mr Andrew Marr under the name of Andrew Marr International. The offshore shipping operation, seismic, research and fishing vessels will be retained in the existing group.

Shell to launch 'new formula' petrol

BY DOMINIC LAWSON

SHELL is to launch a new kind of petrol world-wide and embark on a £5m advertising campaign in the UK. It claims the new petrol will give more miles per gallon and a better performance. The petrol, to be known as Formula Shell, will be sold throughout the UK from May 19, as part of a world-wide launch. It contains a new ingredient called a "spark sider" designed to give the engine a more consistent ignition, improving combustion of the petrol and making for smoother driving. The spark sider was discovered through the use of laser techniques at Shell's Thornton research centre in Cheshire and was developed in five other Shell laboratories across the world. The new ingredient, which contains very small amounts of potassium, has been patented. Shell has conducted 4m miles of road tests on the formula, which have been approved by the Royal Automobile Club. The new petrol could make Shell less vulnerable to independent retailers who market purely through price discounting. Shell will not charge more for the new petrol than its present brand, but hopes that it will enable the company to maintain sales even when substantially under cut in a price war. The prospects of Shell's technology, combined with the largest petrol advertising campaign seen in the UK, is already unsettling some of its rivals. One oil company executive said: "If what Shell claims is

true, then it has a competitive advantage which will knock the opposition for six." Esso, which is in a neck-and-neck contest with Shell for leadership of the UK petrol market, said it would subject the new product to intensive research and could not comment on Shell's claims until this was completed. Mr John Bamberg, Shell UK Oil's retail manager, said Shell was making a loss on the average 164p a gallon sold in the UK. He said the oil industry was being intimidated by the Government from increasing pump prices, in line with the recent sharp rise in the price of gasoline on the spot market. Another oil company described this claim as "absolute hogwash." A report published yesterday shows that pump prices in the

UK have over the years been very slow to reflect changes in crude oil costs. Product prices at the refinery gate react in half a month to a change in costs, but historically, it takes retail prices four and a half months. Growing demand for petrol, and the prospect of an increase in oil consumption in the Soviet Union, in the wake of the reactor shutdowns, caused a sharp rise in oil prices yesterday. In New York the crude oil price broke through the \$14 a barrel barrier, while spot cargoes of North Sea Brent were traded at \$15.50 a barrel, up by almost \$1 on the day. UK Gasoline Prices: how fast are changes in crude prices transmitted to the pump? Oxford Institute for Energy Studies, £10.

Site would only take low-level N-waste

By David Fishlock, Science Editor

BRITAIN'S first repository for the permanent disposal of nuclear wastes "is to be restricted to the least radioactive kinds of waste, much of it won't be handled by radioisotopes before being discarded." This was announced by the Government yesterday in the first stage of what is planned as a two-stage response to the environment select committee's report on nuclear waste last month. In a letter to Sir Hugh Rossi, select committee chairman, Mr Kenneth Baker, Environment Secretary, said although there were no scientific grounds for restricting the contents of the first repository to low-level wastes, this would be done. Nirex UK, the nuclear industry's waste disposal company, had wanted to dispose of low-level and short-lived intermediate level wastes in this repository. Mr Baker also said the Government was considering compensating communities adjoining the repository, as the select committee recommended. By dividing its response into two stages, the Government hopes to expedite plans to lay a special development order before parliament, giving Nirex UK permission to investigate the four possible sites which have been selected. These are at Eilstown in Bedfordshire, Fulbeck in Lincolnshire, Bradwell in Essex, and South Killingholme in South Humberside.

Berrill sympathetic on SRO immunity

BY DAVID LASCELLES, BANKING CORRESPONDENT

SIR KENNETH BERRILL, chairman of the Securities and Investments Board, said yesterday he had "some sympathy" with the view that the proposed self-regulatory organisations for the Big Bang should have immunity from legal action. Commenting on recent demands that this immunity should be enshrined in the Financial Services Bill now before parliament, he told the David Hume Institute conference in Edinburgh that the SROs would not be able to function unless immunity was granted. People would not want to serve on them for fear of having to pay

damages to investors who took the SRO's to court. "It is a bit hard to expect people to do a public service job like that and expect the money to be taken away," he said. It was "a very serious problem" which parliament and the government would have to sort out. In the proposed legislation, the SROs are to be the main bodies through which the City regulates itself after the Big Bang upheaval in financial services. Mr Rodney Galpin, executive director of the Bank of England in charge of banking supervision, said the deregulation of

the UK financial markets created new risks for banks, which their management should address in three ways: Ensuring that their credit committees understood the risks. Installing systems and controls to measure and control risk. Appointing compliance officers with direct reporting lines to the highest levels. He warned: "We shall not fail to act decisively and vigorously to limit excessive risk-taking which we consider may dangerously affect depositors' interests or the stability of the banking system."



Sir Kenneth Berrill

Help for oil rig vessels under study

By Ivor Owen

PROPOSALS aimed at improving the profitability of the offshore support vessels engaged in the North Sea oil industry will soon be considered by the Government. Earl Calthorpe, Minister for Shipping, told the House of Lords Peers from all quarters of the House again expressed concern about the dwindling size of Britain's merchant fleet. The particular problems facing owners of offshore support vessels were underlined by Lord Geddes. He said the cuts in North Sea exploration activity which had accompanied the fall in oil prices, were "literally decimating" the offshore support vessel sector. Lord Geddes described how four relatively small offshore support vessels built recently on Humberside at a total cost of £12m and now operating in the North Sea were each losing £1,000 a day. "No owner can continue to bleed at that sort of rate and survive," he said. Lord Geddes suggested that action should be taken by the Government to reschedule the existing loans provided for British built and owned offshore support vessels, accompanied by a moratorium on capital repayments. Lord Geddes suggested that one way to improve operating in the UK sector of the North Sea should be restricted to British vessels or to those operating under the flags of EEC countries.

House price rises 'reach 10%

FINANCIAL TIMES REPORTER

HOUSE PRICES in April rose at an annual rate of 10 per cent, according to the Halifax Building Society's house price index. This is the first time inflation in house prices has reached double figures since the index was first published in April 1984. The latest figure compares with the 9.7 per cent rise in March. The number of mortgage offers in April was more than 70 per cent higher than a year ago and first time buyers paid 10.2 per cent more than a year ago — with an average of £27,580. House prices were 19 per cent higher in Greater London than a year ago; the average was

£59,500. In south-east England, the price of an average house was £52,500, 14.4 per cent more than last April. In all age groups, proportionately more borrowers bought terraced properties and flats in April instead of semi-detached, detached and bungalow lower than a year ago. Fewer dwellings were started in Great Britain this March than in March 1985, according to provisional figures issued yesterday by the Environmental Department. An estimated 15,800 dwellings were started, down from 16,600 started in March last year. Housing starts in the first quarter of this year, were down

12 per cent on the fourth quarter of last year, but they were 1 per cent higher than in the first quarter of 1985. Total completions were unchanged from the previous quarter, but were 4 per cent lower than a year ago. Public sector housing starts in the first quarter were down 26 per cent on the previous quarter and 21 per cent lower than a year earlier, while completions were down 7 per cent and 28 per cent respectively. Private sector starts were down 9 per cent on the previous quarter, but 7 per cent higher than a year earlier, while completions were up 2 per cent and 3 per cent respectively.

Building societies vote to merge

BY NICK BUNKER

MEMBERS have voted in favour of the planned merger between two West Midlands-based building societies — the Midshires and the Birmingham and Bridgwater. Joint operations will begin on July 1, provided the union is approved by the Chief Registrar of Friendly Societies. The new society — to be called the Birmingham Midshires — will be the UK's 14th largest, with total assets expected to reach £2bn by the end of the year. Mr Philip Court, chief executive of the Midshires, said yesterday that the union had "a clear strategic logic," based on the geographic spread of the two societies' branch networks and the need to pool resources. It was "the right time" for a merger because stronger union would be better able to take advantage of the Government's Building Societies' Bill, which will allow diversification by societies into new financial services such as unsecured lending.

The Wolverhampton-based Midshires, whose assets totalled £960m at the end of 1985, has about 95 branches concentrated between Merseyside and Birmingham. Its new partner, with assets of about £590m, has 60 outlets stretching from the West Midlands to Devon and Cornwall. Mr Court, who is to be chief executive of the united society, said that as a direct result of the merger, only one or two overlapping branches were expected to close. No redundancies are expected immediately, but the intention is to shut the Birmingham and Bridgwater administrative head office in Moseley, Birmingham, within two years with job losses to be achieved by natural wastage. The merger will be the largest since the union last October which created the Alliance and Leicester. It is expected to be overtaken soon, however, by a planned union between the Bradford and Bingley and the Yorkshire building societies, with combined assets of £6bn.

The merger comes at a time of rapid change among building societies, which have been amalgamating to compete more vigorously with banks and other financial institutions. The total number of UK building societies has fallen from 190 at the beginning of 1985 to 164 last month. Discussions have been held with the Department of Trade and Industry, the Inland Revenue and the Bank of England. The team is also talking to the Royal Institution of Chartered Surveyors and the British Property Federation which represents property companies. Discussions with the Securities and Investments Board, the watchdog planned for the City after deregulation of the autumn, would be held "in due course." An advantage for property developers is the prospect of "take-out" money. Many of the new developments in the City have been financed by medium-term, non-recourse bank lending which needs to be replaced by equity investment in the near or medium term.

Building shares market plan

BY WILLIAM COCHRANE

RICHARD ELLIS, the chartered surveyor, and County Bank, the merchant banking arm of the National Westminster group, expect trading to start this autumn in shares of individual commercial buildings. They published proposals yesterday for a financial market for professional investors to deal in tradable equity in single properties through a form of securities called Property Income Certificates. There has been pressure for some years for a way of splitting the ownership of large property development. That pressure has intensified recently as investors have seen £100m buildings rise in the City of London, to meet the needs of the big corporations' high value shopping centres, and business parks on motorway locations to meet the needs of sunrise in-

dustries. Financial Services and County Bank say their scheme will increase liquidity in an industry which badly needs it, reduce the discount on which large properties are valued, improve valuation quality and encourage participation by smaller investment funds in large properties to the benefit of small savers or pension fund members. A range of organisations involved in the property market will be invited to join the Property Income Certificates market. The concept, says its promoters, is to go to consultation with a wider group of interested parties, including representatives from Commercial Union Assurance, Town and City Properties, Capital and Counties and Slough Estates. Discussions have been held with the Department of Trade and Industry, the Inland Revenue and the Bank of England. The team is also talking to the Royal Institution of Chartered Surveyors and the British Property Federation which represents property companies. Discussions with the Securities and Investments Board, the watchdog planned for the City after deregulation of the autumn, would be held "in due course."

An advantage for property developers is the prospect of "take-out" money. Many of the new developments in the City have been financed by medium-term, non-recourse bank lending which needs to be replaced by equity investment in the near or medium term.

Member criticises insurers' association

BY ERIC SHORT

MR DAVID JUBB, chief executive of London and Manchester Group, the Exeter-based home-service insurance company, criticises the Association of British Insurers in his review published today in the company's report and accounts for last year. He tells shareholders last year's amalgamation of the various insurance associations into one body, the ABI, had been viewed with concern by L and M but that it had decided to give the body the benefit of the doubt and join. Now, however, his initial fears over the association's workings are being realised, he says. He says that under earlier

arrangements there was one body, the Industrial Life Offices Association, which represented with effect the home-service insurance companies. He criticises the association's attitude towards the agents of which call at and transact business in policyholders' homes. This body had the priceless advantage of unity of purpose in presenting its views. Mr Jubb says that, in contrast, it is already discernible that the ABI tends to make statements ignoring substantial, valid minority interests and that there is also evidence the association is reflecting the views of its most powerful insurance-company members.

He says the life-insurance industry is far too diverse for one body to reflect its views on a subject and that this is illustrated in the ABI's attitude towards the agents of which services legislation and to the proposals from the Marketing of Investments Board Organising Committee (Miboc), responsible for the marketing aspects of financial services. He says the association's stance on disclosure and licensing tend to play down home-service companies' views. None the less, he is not ready to remove London and Manchester from the association, though "it is one of our options."

ANIMALS IN MEDICAL RESEARCH

The Facts

Introduction of blood transfusion delayed over 200 years by misleading results of animal experiments.

Introduction of comal transplants delayed nearly 50 years by misleading results of animal experiments.

Flukey, who purified penicillin, said it was a "lucky chance" that he had not tested it on guinea-pigs, for it kills them.

The heart drug digoxin was discovered without animal research. It was later found to cause dangerously high blood pressure in dogs. But not in men.

Drugs like Conter-Euklin, and Roquin were passed safe in animals, but caused many humans, and killed others.

In the past, animal experimentation has often retarded the control and eradication of serious diseases. Must we tolerate further delay?

Fight Against Vivisection ...Animals Cant

For further information please write to:
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PUBLIC AUCTION

Upon inspection of this merchandise we are delighted to find rare and unusual pieces depicting origins from World Renowned Weaving Areas of Persia - Turkey - Russia - China - Iraq - Afghanistan - Armenia - Romania - Pakistan and others.

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The first exhibition and auction will be held at

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سكندر من الاصل

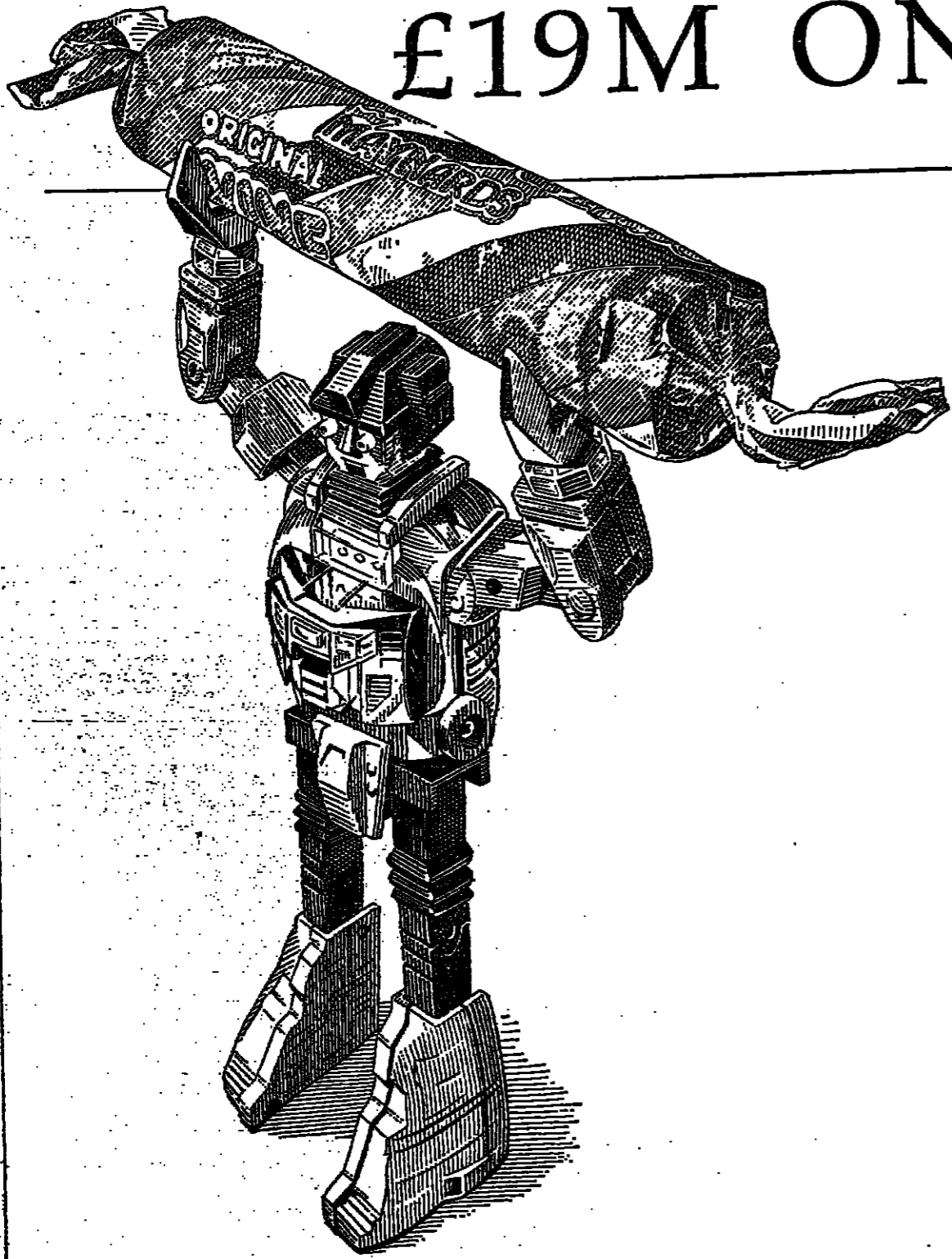
Were we simply pandering to the sweet tooth of our board?

Or were we following a carefully thought out strategy?

To many observers it must have seemed more likely that our taste for wine gums had swayed our corporate judgement.

Because at first sight Maynards confectionery business didn't fit easily into our growing retail empire.

WHAT WERE WE PLAYING AT WHEN WE SPENT £19M ON MAYNARDS?



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That's why, shortly after taking over the company, we sold off the confectionery manufacturing business for £8.1 million.

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Leaving us with precisely what we wanted in the first place.

Maynards' chain of 80 Zodiac Toy Shops. (For which we shall eventually have paid only £7 million.)

These shops obviously fit neatly into our corporate strategy of becoming a major retailing conglomerate.

They also happen to be in a fast growing retail sector.

And with our help we expect Zodiac to grow faster still.

The toy in our illustration is based on a breed that is currently a major craze with young children.

Its appeal lies in its ability to transform itself.

And you could say that's an appropriate description of ourselves too.

Because with retail outlets like Halfords, Payless DIY, Owen Owen and, of course, Zodiac, we're investing heavily in each management team's plans and ideas.

And helping them transform their businesses into ones which will be even faster growing and even more profitable.

Which is sweet news for everyone.

WARD WHITE



Satisfied players Menahem Golan and Yoram Globus (second left) and Alan Bond with still from Anadens and Passage to India from the Thorn stable

Surprise ending to film takeover epic

Raymond Snoddy on Cannon's acquisition of Thorn EMI's Screen Entertainment division

THE PURCHASE of Thorn EMI's Screen Entertainment division for the second time in a week was planned and carried out with the secrecy and precision of an Israeli commando raid.

Not a whisper leaked from the notoriously gossipy film industry that Mr Menahem Golan and his cousin Mr Yoram Globus, founders of the Cannon film and cinema group, were about to pull off a dramatic £175m deal in round-the-clock negotiations with Australian entrepreneur Mr Alan Bond.

Mr Bond, chairman of the Bond Corporation, a company with interests in brewing, the media and energy, clinched a \$125m deal with Thorn last Friday and took control of Elstree Studios, 294 screens in 107 ABC cinemas, a library of 2,000 films and video and film distribution businesses.

Mr Golan, 56-year-old chairman of the Cannon board and 42-year-old Mr Globus flew into London on Monday night to begin negotiations to take a stake in the venture.

Mr Bond, which employs more than 5,500 people, wanted to take a 50 per cent stake in Screen Entertainment, but talks on that idea broke down on Wednesday morning.

"We came to the conclusion that there would be a conflict of interest: two smaller companies would be competing against each other," Mr Golan said yesterday.

The negotiations then began for Cannon to buy-out Bond and a deal was done at 5.45 am yesterday. The talks meant that the Cannon team was unable to attend the re-opening of one of its refurbished cinemas on Thursday night at Quinton, near Halesowen, West Midlands.

Mr Bond said yesterday that the deal would give him a clear profit of about £35m. Mr Golan and Mr Globus estimated that they were paying about £15m on top of the goodwill.

The Cannon Group is paying the Bond Corporation more than £130m in cash. Mr Bond is taking part of the payment in Cannon shares (subject to the approval of Cannon shareholders) and will become a member of main Cannon board. As part of the deal Mr Bond has also acquired the Australian rights to the Screen Entertainment film library, first refusal on all new Cannon films in Australia and will distribute Australian films in the US.

Both sides refused to put a precise value on either the shares or the rights deals and valuation is made even more difficult because Mr Golan says he is inheriting about £100m in future obligations compared with the original figure of about £165m.

The story of Screen Entertainment has had almost as many sequels as the Superman series—Cannon is about to produce Superman IV at Elstree.

News that Mr Gary Dartnall, chief executive of the Thorn EMI Screen Entertainment division, was leading a management buy-out surfaced in October.

By December a rival joint bid of £110m from Cannon and Mr Gerald Ronson's Heron International looked like winning insight of opposition from the British film industry as the management buy-out team was £10m short.

At the last moment Mr Bond appeared, topped up the management bid, but after more than three months of clashing the management team could not finance the deal and Screen Entertainment went to Mr Bond who is also chairman of Airship Industries.

Mr Bond said yesterday that he had never wanted to buy all of Screen Entertainment. The decision to sell was taken after external consultants argued that considerable film industry expertise and capital would be needed to run the company.

Studies revealed that Elstree was attracting very few films for production, the ABC cinema chain badly needed refurbishing and there were doubts about the

US distribution operations.

Mr Bond claimed that Bear Stearns, the US securities concern, had valued the business at £200m.

"We were offered a larger sum from another group. But we didn't want to break the business up," said Mr Bond, looking very pleased with himself in a deal that gives him everything he wanted in terms of access to films for his Australian television stations plus a tidy profit.

Mr Golan, in a crumpled navy suit and blue open-neck shirt—no trappings of a movie mogul in the making—explained he now knew more about Screen Entertainment than at the time of his initial bid and he believed Cannon could justify the £175m price.

"In not more than one year's time people will come to us and say 'How the hell did you get it so cheap?'" said Mr Golan, whose company had turnover of £150.2m (£98.6m) in 1983 and £152.2m after tax profits.

Cannon claims that UK film industry opposition to its ownership of Screen Entertainment has been receding.

"There is no buyer in the UK who can buy this company and show the kind of power, money and expertise to run it. We are all bloody foreigners except

that Mr Bond is Australian and we are American," Mr Golan said.

He claimed that so far Cannon has invested £50m in the UK cinema industry, whereas Thorn EMI had been investing money in American pictures.

Cannon has no plans to sell any part of Screen Entertainment but the company, which employs more than 3,000, was "overloaded and there would be redundancies."

Nothing, however, would happen until after the Cannes Film Festival, starting next week, where Cannon has three films in competition including Franco Zeffirelli's Otello starring Plácido Domingo.

In future Cannon, the cost of whose pictures average \$5m, much less than the industry average, planned to make 10 films a year in the UK and would honour commitments made to Thorn's UK stable of independent film producers.

However, some "exorbitant" deals made with American directors would be renegotiated. A Michael Cimino film, The Sicilian, might not go ahead unless the cost was reduced.

"Cimino is a great talent but he spends money," said Mr Golan.

What of Mr Dartnall who started the process rolling through the management buy-out?

"He's in the Seychelles. That's a good island to stay on," said Mr Golan.

TUC rules on bargaining dispute at Sun Alliance

BY HELEN HAGUE, LABOUR STAFF

THE TUC has ruled that two unions in conflict over collective bargaining rights at the Sun Alliance Insurance Group should seek joint negotiating machinery within the company.

Sun Alliance has offered to negotiate a collective bargaining agreement with the white collar union, ASTMS—but not with the Banking Insurance and Finance Union, ASTMS's main rival in the insurance sector.

Biffo lodged a complaint against ASTMS for allegedly breaching TUC principles adopted after last year's Congress to try to regulate single union deals.

A TUC disputes committee has ruled that ASTMS should not enter into any form of agreement with Sun Alliance which would deprive Biffo of negotiating rights without its prior agreement.

The ruling means that ASTMS cannot take up the company's offer without falling foul of TUC principles.

The root of the recognition battle lies in Sun Alliance's takeover of Phoenix Assurance two years ago.

Biffo had sole negotiating rights at Phoenix, and Salsa, the former Sun Alliance staff association, bargained collectively on behalf of Sun Alliance employees.

Since the merger, the company has made it clear it wants to end divided representation and deal with one union only. After Salsa became a section of ASTMS earlier this year, the company made its preference explicit.

The disputes committee ruling—the first on the amended principles governing single union deals—stipulates that the two unions should agree spheres of influence and decide a basis for joint recognition within the next eight weeks. After this deadline, either union can again call on the TUC to intervene.

The award provides that ASTMS "must be assigned the majority and controlling union" within the proposed joint bargaining machinery.

However, when Sun Alliance signalled its intention to grant sole collective bargaining rights to ASTMS, it said it was convinced that any form of joint representation "The company was not available for comment yesterday."

The principles adopted by Congress state that no union should enter into a sole negotiating or union membership agreement, including takeovers or changes in ownership, which would deprive another union of existing negotiating rights without prior consultation or agreement.

The eventual outcome of the recognition conflict at Sun Alliance could set a precedent for other unions and employers as takeovers become increasingly common.

Midland offers 14-months deal

BY OUR LABOUR STAFF

MIDLAND BANK has offered 44,000 employees a 14-month pay deal comprising a series of flat rate increases and plans to overhaul grading structures.

Leaders of the two unions which have collective bargaining rights at the bank—the white collar union, ASTMS, and the Banking Insurance and Finance Union—are recommending acceptance of the deal. Ballot papers will be circulated next week.

The offer fleshes out Midland's policy of pursuing domestic rather than industry-wide bargaining—a trend signalled last December when the bank withdrew from the Federation of Clearing Bank Employers.

The federation now negotiates technical and clerical pay

rates on behalf of National Westminster, Barclays and Lloyds Bank. Last month, Biffo accepted a 5.6 per cent offer from the federation.

Under the Midland offer, the average salary rise over the 14 month span will be equivalent to 6.5 per cent—although it will be arrived at by flat rate increases.

However, junior clerical grades will receive substantially larger increases if the offer is accepted. The Bank says the flat-sum approach has permitted market-related salaries to be introduced for junior clerical grades. Age related payments will be abolished as part of the restructuring programme.

The proposed deal covers

clerical staff, managers, appointed grades and employees who work in electronic data processing. Negotiations on technical and service staff are continuing.

The offer stipulates that unions will not submit further claims affecting costs for the duration of the deal, which will be backdated to April and will run until the end of May next year. However, territorial allowances are still to be negotiated.

If the longer term offer is accepted, Midland will have further distanced itself from industry-wide pay bargaining. The next round of pay negotiations will take place after the other three clearing banks have concluded deals with the banking unions next year.

Beer production down in March

BEER production in March was 2.78m, bulk barrels, a decrease of 6 per cent on the 2.96m bulk barrels brewed in the same month last year. Production for the first quarter of 1986 was 8.06m barrels, a decrease of 3.3 per cent on the same quarter in 1985.

The Brewers' Society said "March's beer production was limited by the early Easter. Reports from the trade indicate that beer sales were only marginally down compared with last year."

"The first quarter's figures have also been affected by the very poor weather. Lager continues to increase its share of the market."

Campaign for more private rented housing

BY JOAN GRAY, CONSTRUCTION CORRESPONDENT

THE GOVERNMENT is to campaign to increase the supply of private rented housing and to tackle the problem of irresponsible landlords and freeholders who neglect to maintain property.

Mr John Patten, Housing Minister, said yesterday: "I want to promote responsible private landlordism and to isolate irresponsible freeholders by making it compulsory for them to behave like good landlords."

"I also want to increase the supply of private housing to rent by convincing new investors, such as building societies and pension funds,

that building homes to rent is a stable investment."

Legislation is being drafted to implement recommendations in the Nugee report on management of privately-owned blocks of flats.

It will give tenants an easy legal framework for putting negligent landlords and freeholders into receivership, and the right to buy their badly maintained flats at an independently-assessed price even if freehold is not voluntarily for sale.

Mr Patten said: "Irresponsible freeholders have done the private sector much damage, and these proposals will force

them to do a good job. I want to redress the law so that it is no longer stacked against the tenant but is still fair to responsible landlords."

The proposals, which have all-party support, will probably feature in the Queen's Speech when Parliament reassembles this autumn, and become law early next year.

Mr Patten is also working to extend the scope of the assured tenancy scheme, to increase supply of private rented housing and to attract new investors to the sector.

Short-term private rented housing, where tenants pay a monthly or weekly rent, has

dwindled from 90 per cent of households in England and Wales in 1915 to between 8 per cent and 9 per cent now.

Mr Patten hopes to tackle the decline in rented housing and to convince the institutions that the private rented sector could offer good and stable returns by extending the scope of assured tenancies.

The scheme is being extended from new buildings to existing buildings on which more than 25,000 per home has been spent on improvement or renovation and which were unoccupied when work was done.

Red light for the lazy landlord, Weekend FT, Page IV

Hattersley spells out jobs plan

THE next Labour government would tailor its public investment to create jobs in the regions and industries which needed them most, Mr Roy Hattersley, Labour Party deputy leader, told the Wales TUC conference in Llandudno yesterday.

He also promised a fringe meeting of the Wales TUC's co-operative development centre that, as Chancellor, he would introduce fiscal measures to encourage the creation of worker, consumer and community co-operatives.

"The co-operative ideal has been neglected far too long in the Labour Party," Mr Hattersley said. But he warned it would be impossible to fulfill all the labour movement's aspirations in the course of a single parliament.

The first priority was clearly tackling unemployment. With that in view, it would be the intention to allocate resources to the regions and industries needing them most.

Mr Ron Todd, general secretary of the Transport and General Workers' Union, picked up this theme in his address to conference. He said the labour movement had to put aside internal wrangles in order to meet business in dealing with unemployment.

Mr Todd overwhelmingly backed the TGWU's call for the establishment of a regional arm of Labour's proposed national investment bank with funds of not less than £1bn for job creation projects in Wales.

There was a fresh mood of optimism in the union movement. Roy Williams, the TUC general secretary, told conference. As the Government appeared to be receding from an crisis to another, he said, there was a stirring of excitement about future prospects for the unions.

Teachers' employers balk at idea of interim award

BY DAVID BRINDLE, LABOUR CORRESPONDENT

EDUCATION authority leaders in England and Wales decided yesterday they could not commit themselves to the idea of an interim pay award for teachers in return for the National Union of Teachers agreeing to end its disruptive sanctions in schools.

However, the employers said they would be prepared to discuss the possibility of an on-account pay rise if the teachers' union together raised the issue at a meeting next Friday of the statutory Burnham pay negotiating committee.

The development represents a hardening of the Labour-led employers' anti-NUT stance after talks with the union earlier this week at which the outline of the pay deal took shape.

The deal would allow the NUT back into the long-term negotiations on teachers' pay, service conditions and employment contracts, as well as giving teachers an interim rise backdated to April 1. But the employers refused to proceed with discussions on Wednesday after press reports of progress made the day before.

Nicky Harrison, the employers' leader, said after yesterday's meeting of the

Burnham management panel that the main obstacle was the NUT's failure to produce a form of words on its intention to end disruption in schools.

She repeated that the NUT would have to accept the spirit of the agreement that ended the 13-month pay dispute in March and led to the long-term negotiations from which the union has been excluded.

Admitting that the question of an interim pay award had been discussed yesterday, Mrs Harrison said she still hoped to reach a settlement restoring calm to the schools before she stepped down as employers' leader two days after the Burnham meeting next week.

The NUT, which wants an interim pay rise of £800 for every teacher, threatens strikes in 21 education authorities sending Labour representatives to Burnham. The smaller unions, which ca together outvoted the NUT on the committee, have not specified an interim pay demand in their claims.

The claim, which represents the unions' formal representation, sets out only "broad principles" for discussion, includes no cash figures, and calls for "agreement in principle on the pay levels which will be necessary to solve the pay problem."

No-strike rule endorsed

DELEGATES to the annual conference of the Royal College of Nursing yesterday endorsed the union's no-strike rule by halloping the union's 250,000 members on scrapping it.

The vote came at the end of a Blackpool conference week during which a repeated theme had been the development of alternative forms of campaigning. This followed the perceived success of the RCN's £250,000 advertisement campaign over health service management changes.

Mr Trevor Clay, the union's general secretary, had made it clear before yesterday's debate on the no-strike rule that he

believed industrial action never delivered net gains to workers.

The move to call a ballot on amending and/or retaining the rule against "withdrawal of service" was made by the RCN's branches at Rugby in Warwickshire and in Warrington, Cheshire. It was lost by a substantial majority.

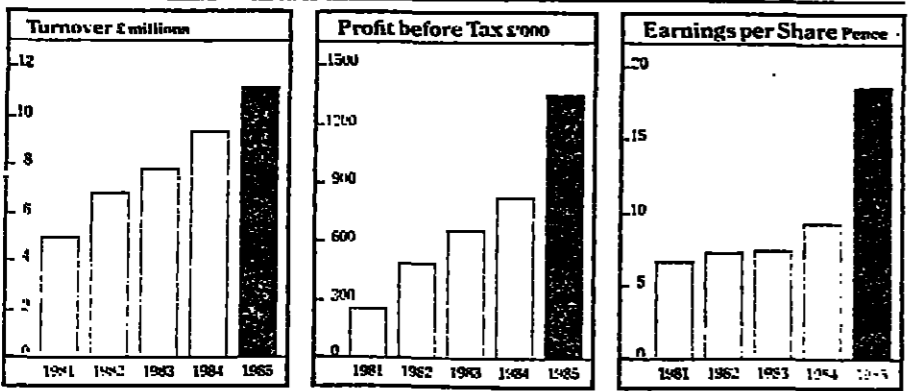
The RCN, a professional association and the biggest registered union outside the TUC, is moving closer to a conventional union structure by redesignating its local "centres" as branches and providing for direct elections of shop stewards, conveners and safety representatives.

THOMAS JOURDAN plc

"Even greater progress was made in 1985 than in any previous year"

FINANCIAL HIGHLIGHTS

	Increase	1985	1984	1983	1982	1981
	RS-84	£'000	£'000	£'000	£'000	£'000
Turnover	+29%	11,211	8,665	7,307	6,150	4,974
Operating profit	+54%	1,484	964	764	563	290
Profit before tax	+62%	1,352	837	672	470	247
Dividends	+37%	424	310	279	244	214
Capital employed (shareholders funds plus borrowings)	+43%	3,423	2,399	2,282	1,812	1,302
Earnings per share	+94%	18.80p	9.69p	7.4p	7.2p	6.3p
Net assets per share	+52%	45.4p	29.8p	32.0p	24.6p	26.9p
Operating profit/turnover	+19%	13.2%	11.1%	10.5%	9.2%	5.6%
Profit before tax/turnover	+25%	12.1%	9.7%	9.2%	7.6%	5.0%
Operating profit/capital employed	+ 8%	43.4%	40.2%	33.5%	31.1%	22.3%



"It is our aim to continue to expand the Group not only by increasing sales and profitability, but also by acquisition."

Archie McNair, Chairman

Copies of the 1985 Report & Accounts are available from the Secretary, Thomas Jourdan plc, 6 Park Street, Windsor, Berkshire SL1 1LU

APPOINTMENTS

Reorganisation at Ocean Transport

OCEAN TRANSPORT & TRADING has changed its organisation to reflect the group's increased emphasis on industrial and distribution services.

On the Ocean Group board, Mr C. D. St Johnston has been appointed deputy managing director. Mr E. Roseman continues as finance director and Mr K. Wright as executive director and company secretary. The group has also been restructured into five divisions, each under a divisional managing director. They are: Mr T. A. Loughhead, international freight forwarding; Mr P. D. Graham, offshore services; Mr K. H. Birch, shipping and marine services; Mr H. Panton, vehicle and warehousing services; and Mr R. J. Sampson, waste management aggregates and fuel distribution.

He has been West End (West) area director since 1981 and succeeds Mr Gerry Esam, who retired on April 30.

Mr Graham Robinson has been appointed full-time deputy chairman of the PACE GROUP, Manchester. He has been a non-executive director of Pace for more than 12 years. In addition to his management responsibilities Mr Robinson is chairman of Pace Group, Quantum Technical Public Relations and Pace Consultants.

Mr Paul Morrissey has been appointed a director of FRED BENTLEY'S RESTAURANTS and FRED BENTLEY'S LIMITED. Mr Morrissey has been with Dolamore Holdings (the parent company of "Bentley's") for 13 months as group financial controller.

Mr R. J. Cole has been appointed a director and group managing director of CELESTION INDUSTRIES.

Mr M. J. Wade has been appointed a director of H. CLARKSON HOLDINGS.

Mr Edward FitzGerald has been appointed to the board of SANGERS PHOTOGRAPHS from June 1. He will join the group from marketing consultants Halliday & Partners. Mr FitzGerald will be managing director of the group's operating subsidiaries.

Mr J. B. R. Morris is taking early retirement as chairman of WOODHOUSE DRAKE & CAREY (HOLDINGS). Mr Peter Alfrey has become chairman in his place. Mr R. L. Taylor, the director responsible for refined sugar, will also be retiring early on May 31. He will continue as a representative on commodity associations. Mr E. G. Simmonds, director responsible for cocoa, will also retire early on May 31.

TDS CIRCUITS has made changes to its board: Mr Bill Everard has become managing director, Mr E. R. Taylor, chief executive of a number of private companies and subsidiaries of quoted companies, including Morganite Ceramic Fibres, J. and J. Cash and Napco, has been appointed a director. Mr David J. Taylor, founder, becomes director in charge of strategic affairs with special responsibilities for medium and long term planning.

Mr A. C. Wisphear, a director of S. G. Warburg & Co has been appointed a non-executive director of NATIONAL WESTMINSTER BANK's City region.

Handwritten signature in Arabic script.

Advice to the unwary abroad in the City, or

THE PARAKEET AND THE PERILS OF LIVING IN THE STICKS.

THE jungle steamed after yet another deluge of scalding rain. Chameleons, who had stopped to shelter beneath the overhanging leaves, changed from amber to green and moved off again. The young parakeet looked happy. He was gradually recovering from the excesses of his stag beetle night. And now he was putting the finishing touches to his love nest. Very soon, the boughs of the giant banyan tree would echo to the patter of tiny claws. With a squawk of contentment, he spread his wings and flew down through the dripping branches. Swooping low, he picked out a particularly fine stick with his beak and returned to his perch.

He puffed out his brilliant green chest feathers in pride as he brought the final stick to rest. And taking his beloved by the claw, he carried her triumphantly over the threshold. But then something seemed to stir. He looked again. Sure enough, the whole nest appeared to be alive. To his astonishment, it was edging slowly but inexorably along the branch. Then it leapt from the tree and scuttled into the undergrowth, taking the two love birds with it. A wise old macaw was gazing down sympathetically. "Stick insects," he muttered. "An easy mistake to make." The City is



a jungle, too. Here, too, things aren't always quite what they seem to the untrained eye. With the resources and the experience of one of the UK's largest investment management organisations, Mercury can provide you with just the discerning judgment that you need. For the details of our ten unit trusts, please write to: The Client Services Director, Mercury Fund Managers Ltd., 33 King William Street, London EC4R 9AS (01-280 2800) or contact your usual financial adviser.

MERCURY UNIT TRUSTS

Investment by Mercury Werburg Investment Management Ltd.

UK COMPANY NEWS

B & C Shipping buys Stock Beech

BY CHARLES BATCHELOR
British & Commonwealth Shipping... the diversified transport and financial services group...

banking services of its two bank subsidiaries, Cramer in London and Banque de Geneve in Geneva. Stock Beech has 37,000 active private clients.

firms. You can be small in the regions and still do well. Ultimately B & C has ambitions to link Stock Beech with other regional stockbrokers in the north west of England and Scotland.

privatisation issues. B & C is to inject new funds into Stock Beech in return for convertible shares and will also buy some of the existing shares. The current partners will retain a 45 per cent stake.

Hillsdown attacks Tate's Sugar bid

Hillsdown Holdings, UK food and furniture group, has attempted to counter Tate & Lyle's campaign to buy British Sugar, the subsidiary of Wm Fraser & Co., a commodity trader without reference to the Monopolies Commission.

Benford Concrete rejects £19m bid from BM

BY LIONEL BARBER
BM Group, the construction industry supplier in which C. H. Bezer, the housebuilder has a 64 per cent stake, yesterday made a first and final £19m bid for Benford Concrete Machinery, which designs and manufactures concrete mixers and cement silos.

originally been part of LMI's 29.9 per cent holding. The Benford board, led by Mrs Stella Brimell, chairman and chief executive, held a board meeting yesterday afternoon and subsequently described the BM offer as uncited and ungenerous, urging shareholders to take no action.

On turnover of £16.3m, up 2.5 per cent on the previous year. For the 15 months to 31st March 1986, the group made £1.6m profit, up £23m turnover. For the year ended last December, Benford based in Warwick, lifted pre-tax profits by 29 per cent from £880,000 to £1.2m on enlarged turnover of £20.7m.

Prestwick suffers £2m loss in first half

FOLLOWING its warnings in its preliminary report for last year and at the annual meetings, Prestwick Holdings reported losses in the six months to the end of January 1986 of £2.2m, compared with profits last time of £810,000.

company however is paying its first interim dividend since getting a listing last year of 0.5p. Since the first quarter there has been slow but steady improvement, the directors say, with orders received in the three months to the end of April being the highest for almost two years.

comment
When Prestwick came to the market a year ago the sceptics warned that it would be very vulnerable to a downturn in the electronics sector. When the downturn arrived, Prestwick was much more vulnerable than even the sceptics supposed.

fourth It should muster a modest profit. For the year as a whole losses will be whittled away to £2m and the City expects a return to profits of £1.5m or so next year. The City now needs reassurance that Prestwick would be less vulnerable to another downturn.

Nu-Swift advances 40% and plans further growth

DURING THE next two to three years Nu-Swift Industries plans to become a much larger group "fully equipped to compete internationally."

Figures for 1985 for Nu-Swift, maker of fire extinguishers and extinguishing agents, showed pre-tax profits increasing by 40 per cent from £4.51m to £6.49m. Turnover rose from £30.59m to £33.5m.

Liberty's profits rise by nearly £1m to £3.5m

Liberty, the retailer, printer, merchant converter and wholesaler, has increased full year taxable profits from £2.6m to £3.5m on turnover up by £1m to £57.6m.

The taxable result for the 12 months to February 1 1986 was struck after interest charges a little higher at £418,000 against £398,000.

Last Wednesday, Tate announced plans to launch an agreed bid for S. & W. Berford worth not less than £478m. The offer was hedged with preconditions, notably that the Office of Fair Trading would not recommend referring the bid to the Monopolies Commission.

The differing arguments on the UK sugar industry put forward by Hillsdown and Tate are being examined closely by the Office of Fair Trading which is expected to make a recommendation shortly. The OFT is looking not only the state of the UK sugar industry but also the European market.

Glynwed offer for Brickhouse

Glynwed International, the consumer and engineering products manufacturer, yesterday announced a £23m agreed bid for Brickhouse Dudley, the West Midlands specialist pipes maker.

up 18p to 451p. The group has been making a series of rapid disposals and acquisitions over the past 12 months, with the sale of increasing earnings per share at 20 per cent per year. For the half year to last June, it reported pre-tax profits of £16.1m, up 31 per cent over the corresponding period in 1984.

March will amount to around £1.5m, only £200,000 up on the previous year and less than the company made in 1981. The figure was calculated after a reduction in the company's pension fund contribution of £200,000 and deducting £300,000 in the civil engineering business, now discontinued.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS & SUB-SECTIONS, Fri May 2 1986, Highs and Lows Index, 1986, Size Composition, 1985. Rows include Capital Goods, Converting, Electronics, etc.

Table with columns: FIXED INTEREST, PRICE INDICES, and various interest rate metrics. Rows include British Government, 15 years, 20-25 years, etc.

Table with columns: Equity section of group, Base date, Base value, and various equity categories. Rows include Telephone Networks, Electronics, Other Industrial Materials, etc.

Tip Top offer 65 times oversubscribed

The three recent offers for sale by Tip Top Druggists, Antler and Combined Lease Finance were all oversubscribed. Tip Top was oversubscribed 65 times, with applications received for 212m shares compared to the 3.2m on offer.

Bowater paying £12.5m to buy Roberts Adlard

BY MARTIN DICKSON
Bowater Industries, the paper and packaging group, is acquiring Roberts Adlard, the builders' merchant, in an agreed £12.5m takeover that will expand Bowater's existing builders' merchants interests to south east England.

Burgess in agreed bid for Coin

BY CHARLES BATCHELOR
Burgess Products, a manufacturer of microswitches, joystick controllers and thermo-static controls, is making an agreed all-share takeover bid worth £12.5m for Coin Industries, which makes coin handling equipment.

RFD predicts 19% rise in profits

BY MARTIN DICKSON
RFD Group, the industrial company fighting a £25m bid from Wardle Stores, the plastic sheeting manufacturer, yesterday estimated its pre-tax profits in 1985/86 were more than £2.3m up by more than 19 per cent.

Capital & Counties pulls out of bid for Bentalls

BY WILLIAM COCHRANE
Capital & Counties, the UK property development and investment group, owned by Liberty Life Association of South Africa, is not to proceed with its bid for Bentalls, the publicly-quoted department store group.

Whitworth's Food shares suspended

Shares in Whitworth's Food, the USM-quoted potato packer and fruit importer, were temporarily suspended at 6.3p yesterday at the company's request. An announcement is expected to follow next week.

Lex Service

Lex Service, the distributor of automobiles and electronic components, said yesterday that it was at an advanced stage of negotiations to sell its two remaining transport businesses, Bees Transport and Carpa Express, to their managements.

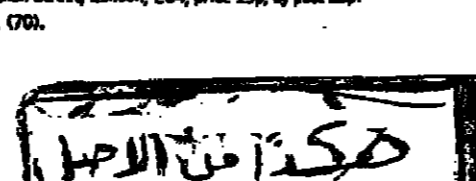
DIVIDENDS ANNOUNCED

Table with columns: Company Name, Current payment, Date of payment, and Dividend amount. Rows include Edmond Higgs, Liberty, Nationwide Leisure, etc.

Property Tst. right

The full terms of the fore-shadowed rights issue by Property Trust have been announced. There will be 113.2m New 2p shares issued on the basis of three for every two shares already held.

RECENT IS EQUITIES, FIXED INTEREST, RIGHTS OFFER, THE IS PROPOSING, HUGH SUTTON Financial, Tel: 01-248 5000



Sanyo plans merger to counter rising yen

BY YOKO SHIBATA IN TOKYO
SANYO ELECTRIC is planning to merge with one of its largest affiliates in a deal which will mark the biggest merger to date in the Japanese consumer electronics industry.



Dr. Karlheinz Kaske—head of Siemens

Siemens net profit dips in half-year

BY DAVID BROWN IN FRANKFURT
SIEMENS, the West German electrical, computer and telecommunications group, reports net profits down slightly from DM 640m to DM 638m (\$290m) for the six months ended March, 1986, despite a much sharper decline in turnover.

Wah Kwong HK\$2.93bn in red for 1985

BY DAVID DODWELL IN HONG KONG
WAH KWONG, the troubled Hong Kong shipping and investment group now negotiating a rescue plan with its 46 creditors, yesterday revealed losses in 1985, after extraordinary items, of HK\$2.93bn (\$375m).

Du Pont deal boosts crop protection side

BY WILLIAM HALL IN NEW YORK
DU PONT, the US chemicals giant, has signed a letter of intent to buy Shell Oil's agricultural chemical subsidiary in a move which will double Du Pont's crop protection business.

Pan Am suffers \$118m deficit in first quarter

BY TERRY DODSWORTH IN NEW YORK
PAN AM CORPORATION, parent of the financially troubled US airline, suffered a further heavy loss in the first quarter of this year despite a sharp decline in fuel prices and a significant fall in its overall costs.

Afrox ahead on better market penetration

BY OUR JOHANNESBURG CORRESPONDENT
AFRICAN OXYGEN (Afrrox), the South African subsidiary of BOC International, increased market penetration and improved efficiency in the half-year to March and, as a result, raised sales and profits from its industrial gas and welding equipment interests.

Triomf Fertilizer loss deepens

BY JIM JONES IN JOHANNESBURG
TRIOMF FERTILIZER, the troubled South African fertilizer company, extended its losses in the six months to December 31 1985 and does not expect to emerge into profits this year or next.

Wells Fargo to sell seven branches

BY PAUL TAYLOR IN NEW YORK
WELLS FARGO, the West Coast-based banking group which is to acquire Crocker National Bank for \$1.07bn, has agreed to sell seven northern California branches to Hibernia Bank of San Francisco.

Power Corp seeks wider base

BY ROBERT GIBBENS IN MONTREAL
POWER CORPORATION OF Canada has nearly C\$250m (US\$151.5m) in cash and short-term investments, plus major borrowing ability to make friendly acquisitions in North America and Europe in the next year, says Mr Paul Desmarais, chairman.

Rand Mines lifts earnings

BY KENNETH MARSTON, MINING EDITOR
RAND MINES, the South African mining finance group formerly known as Transvaal Consolidated Land and Exploration, reports a 37 per cent increase in net profits for the six months ended March 1986 to R69.9m (\$33.8m or £22m), or 62 cents per share, compared with R51.1m a year ago.

Granville & Co. Limited

Table with columns: High, Low, Company, Price, Change, Gross Yield, P/E, Fully Paid. Lists various companies and their financial metrics.

Table with columns: Stock, 1986, High, Low, Closing Price, etc. Lists various stocks and their prices.

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Revaluation date usually last day for dealing free of stamp duty. Figures based on prospectus estimates. Assumed dividend and yield. Dividend cover on earnings updated by latest interim statement.

THE FINANCIAL TIMES IS PROPOSING TO PUBLISH A SURVEY OF INDIA ON MONDAY MAY 12 1986. For further information, please contact: Hugh Sutton - Area Manager, Southern Asia.

LONDON TRADED OPTIONS. Table with columns: Option, Calls, Puts, May, Aug, Nov, etc. Lists various options and their prices.

EUROPEAN OPTIONS EXCHANGE. Table with columns: Series, Vol., May, Last, Aug, Last, Nov, Last, Stock. Lists various European options and their prices.

MASCO QUARTERLIES. Table with columns: MASCO INDUSTRIES, PLAYBOY ENTERPRISES, TEXACO CANADA, TEXAS EASTERN. Lists quarterly financial data for various companies.

CURRENCIES and MONEY

FOREIGN EXCHANGES

Dollar up in quiet trading

The dollar was mostly firmer yesterday in very quiet trading... Proximity of the long weekend in the UK and a reluctance to trade on the one day between May Day holidays and the weekend kept most people on the sidelines.

Table titled '£ IN NEW YORK' showing exchange rates for various currencies against the pound.

West German and Japanese authorities showing an increased reluctance to see the dollar fall much further. However, a slim majority view suggests that the US will push for a further decline in the dollar in the face of a sluggish economy.

Sterling was slightly weaker overall but finished above the day's lows. Its exchange rate index touched 75.7 at one point before finishing at 76.0, up from an opening level of 75.9 but down from 76.3 on Thursday.

STERLING INDEX

Table titled 'STERLING INDEX' showing index values for various currencies.

POUND SPOT—FORWARD AGAINST POUND

Table showing pound spot and forward rates against the pound for various countries.

OTHER CURRENCIES

Table listing exchange rates for various other currencies.

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Table showing dollar spot and forward rates against the dollar for various countries.

CURRENCY RATES

Table listing various currency rates.

EURO-CURRENCY INTEREST RATES

Table showing Euro-currency interest rates for various terms.

CURRENCY MOVEMENTS

Table showing currency movements and percentage changes.

CROSS RATES

Table showing cross rates between various currencies.

MONEY MARKETS

Longer-term interest rates showed a slightly firmer trend in very quiet and featureless trading yesterday. Short-term rates were virtually static after the long weekend and the economic summit in Tokyo.

UK rates up at at longer end

The average rate of discount rose at the weekly Treasury bill tender to 9.155 per cent from 8.947 per cent the previous week. The minimum accepted bid was 8.97515m, set as to about 34 per cent and above in full.

FT LONDON INTERBANK FIXING

Table showing FT London interbank fixing rates.

MONEY RATES

Table showing various money rates.

LONDON MONEY RATES

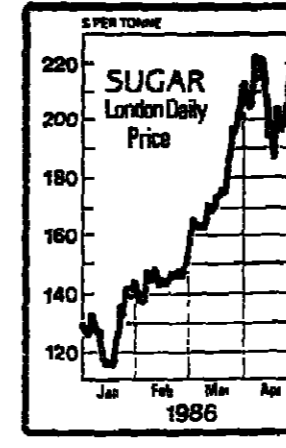
Table showing London money rates.

COMMODITIES AND AGRICULTURE

REVIEW OF THE WEEK

Nuclear fall-out in commodity markets

FALL-OUT from the nuclear blast at Chernobyl did not stop within the Soviet Union and surrounding European countries this week: it reached commodity markets as far away as Chicago, New York, London and Tokyo.



The Chicago Mercantile Exchange's cattle and hog markets, which normally react more to domestic US events than to events with a potential impact on the world market, moved in sympathy.

The grain elevators, which rushed to buy earlier in the week, were fully committed by yesterday and could take no more.

In addition, extra supplies this week started to flow into the market as the US Government began handing out payments-in-kind to farmers under its support programme.

US MARKETS

PRECIOUS METALS

A major part of Thursday's losses with platinum gaining \$8.75, silver 13 cents and gold a modest \$2, reports Heindl Commodities.

Table showing precious metal prices.

NEW YORK

Table showing New York market prices.

Table showing Chicago market prices.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities.

INDICES

Table showing various market indices.

METALS

Table showing metal prices.

DOW JONES

Table showing Dow Jones index.

GRAINS

Table showing grain prices.

WHEAT

Table showing wheat prices.

ALUMINIUM

Table showing aluminium prices.

COFFEE

Table showing coffee prices.

COPPER

Table showing copper prices.

GOLD

Table showing gold prices.

LEAD

Table showing lead prices.

SILVER

Table showing silver prices.

TIN

Table showing tin prices.

NICKEL

Table showing nickel prices.

SOYABEAN MEAL

Table showing soyabean meal prices.

POTATOES

Table showing potato prices.

OIL

Table showing oil prices.

MEAT

Table showing meat prices.

GAS OIL FUTURES

Table showing gas oil futures prices.

FREIGHT FUTURES

Table showing freight futures prices.

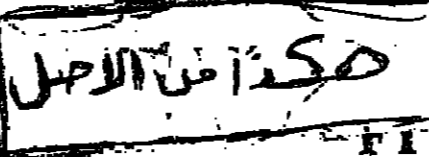
SUGAR

Table showing sugar prices.

RUBBER

Table showing rubber prices.

STOCK EXCHANGE DEALING



UNIT TRUST INFORMATION SERVICE

Table listing various stocks and their prices, including sections for 'SPECIAL LIST' and 'RULE 535 (4) (a)'.

AUTHORISED UNIT TRUSTS

Table listing authorized unit trusts such as Abbey Unit Tr. Mgrs. (a), Abbey Unit Tr. Mgrs. (b), and Abbey Unit Tr. Mgrs. (c).

Table listing various unit trusts and their managers, including sections for 'SPECIAL LIST', 'RULE 535 (4) (a)', and 'Bargains marked in securities'.

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AUTHORISED UNIT TRUSTS & INSURANCES

Table listing various insurance companies and their products, including sections for 'INSURANCES' and 'UNIT TRUSTS'.

Table listing various insurance companies and their products, including sections for 'INSURANCES' and 'UNIT TRUSTS'.

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INSURANCE MONEY FUNDS

Table listing various insurance and financial products, including company names and brief descriptions.

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LONDON SHARE SERVICE

BRITISH FUNDS

AMERICANS—Cont.

ENGINEERING—Continued

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists various British funds such as 'Shorts (Lives up to Five Years)', 'Over Fifteen Years', and 'Index-Linked'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists American stocks under categories like 'BUILDING, TIMBER, ROADS—Cont.', 'DRAPERY & STORES—Cont.', and 'ELECTRICALS'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists engineering stocks including 'ASSTON ENGINEERING', 'BIRMINGHAM ENGINEERING', and 'BRISTOL ENGINEERING'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists electrical stocks such as 'ABB ELECTRIC', 'ALLEN CLAYDON', and 'ARMOUR & CO'.

INDUSTRIALS

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists various industrial stocks including 'ARMOUR & CO', 'ARMSTRONG', and 'ARMY & SHIPLEY'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists industrial stocks including 'ARMOUR & CO', 'ARMSTRONG', and 'ARMY & SHIPLEY'.

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Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists bank and leasing stocks under 'BANKS, HP & LEASING'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists chemical and plastic stocks under 'CHEMICALS, PLASTICS'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists drapery and stores stocks under 'DRAPERY & STORES'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists food and grocery stocks under 'FOOD, GROCERIES, ETC'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists industrial stocks including 'ARMOUR & CO', 'ARMSTRONG', and 'ARMY & SHIPLEY'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists bank and leasing stocks under 'BANKS, HP & LEASING'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists chemical and plastic stocks under 'CHEMICALS, PLASTICS'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists drapery and stores stocks under 'DRAPERY & STORES'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists food and grocery stocks under 'FOOD, GROCERIES, ETC'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists industrial stocks including 'ARMOUR & CO', 'ARMSTRONG', and 'ARMY & SHIPLEY'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists foreign bonds and rails under 'FOREIGN BONDS & RAILS'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists building, timber, and roads stocks under 'BUILDING, TIMBER, ROADS'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists electrical stocks under 'ELECTRICALS'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists engineering stocks under 'ENGINEERING'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists industrial stocks including 'ARMOUR & CO', 'ARMSTRONG', and 'ARMY & SHIPLEY'.

Table with columns: High, Low, Stock, Price, Div, Yield, etc. Lists hotels and catering stocks under 'HOTELS & CATERING'.

Handwritten text in Arabic script: "مركز الاستثمار"

INDUSTRIALS - Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for stock price, price change, and other financial metrics.

LEISURE - Continued

Table of leisure and entertainment stocks including British Sky Broadcasting, British Telecommunications, and British Video.

PROPERTY - Continued

Table of property and real estate related stocks including British Land, British Property, and British Home Stores.

MOTORS, AIRCRAFT TRADES

Table of stocks in the motors and aircraft trades sector, including companies like British Aerospace and Rover.

FINANCE, LAND - Cont.

Table of finance and land-related stocks including various banks, insurance companies, and landowners.

MINES - Continued

Table of mining stocks including Anglo American, De Beers, and various gold and platinum producers.

INSURANCE

Table of insurance stocks including British American Insurance, British Insurance, and others.

PAPER, PRINTING, ADVERTISING

Table of stocks in the paper, printing, and advertising sectors.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks.

SHOES AND LEATHER

Table of stocks in the shoes and leather industry.

OVERSEAS TRADERS

Table of stocks of overseas trading companies.

PLANTATIONS

Table of stocks of plantation companies.

Debenture Stocks

Patience pays

THE Chancellor's restoration of a stamp duty exemption on most corporate bond issues last week in its sweep, a point worth noting by private investors.

Debenture stocks offer a secure fixed-interest investment if you are prepared to lock away substantial amounts of cash. They are generally secured on specific company assets and are among the first to be paid if the company issuing them goes into liquidation.

They are similar to mortgages in representing a charge over the assets of the borrower, and the word "mortgage" is often used to describe them.

It is not necessary for there to be a fixed charge, however, and a floating charge is often offered, giving the right to possession of the company's assets as they stand at any particular time.

Holders of debenture stocks have the right to call in the receiver, or take other action to protect their interests, if a company should fail to pay interest or default in other ways.

Trustees — in general, banks and insurance companies — are usually appointed for the assets charged as debenture stocks; and while they are paid by the company, they are expected to act on behalf of those holding the issue.

If you are reassured by such potential security, you should bear in mind the importance of choosing your company carefully — its financial stock market standing is a good place to start.

Brokers differ widely on the appeal of debentures for the private investor. Laurie Milbank stresses the need for a long-term holding — often 15-20 years or more — and points out that you pay higher brokers' commission charges, based on minimum stock exchange recommendations, when you buy debentures rather than gilts.

The difference might not be significant if you are investing large sums, however; and Jeremy Lewis, of London brokers Seymour Pierce, says debentures offer a worthwhile return over gilts if bought at the right time.

He gives the example of a debenture that is now more attractive than several comparable gilts. The market price of Colne

Valley Water 10 per cent 1996-1998 on Wednesday was £104 for the initial £10 nominal paid-up amount, the equivalent of a fully-paid price of £103. At that price, the stock offers a flat yield of 9.22 per cent and a redemption yield of 9.88 per cent.

The gilt-edged stock Exchange 13 1/2 per cent 1996 was standing at 128 1/2, offering a flat yield of 10.3 per cent and a redemption yield of 9.9 per cent. Similarly, Exchequer 13 1/2 per cent 1999 was priced at £124 1/2, offering a flat yield of 9.8 per cent and a redemption yield of 9 per cent.

Both these gilts face substantial falls in capital value between now and redemption, says Mr Lewis, adding that the Colne Valley Water debenture would be a good alternative for anyone looking to switch out of these gilts.

Water debentures are seen as first-class securities and are often extremely well priced when just issued, as are those issued by quality property companies.

A recent issue on April 22 was Great Portland Estates 9.5% First Mortgage Debenture 2016 — a £25m issue. This had a proposed placing on a yield basis of 95p above the return on the benchmark gilt Treasury 14 1/2% 2004-08. However, you may find it extremely difficult to consider locking-in your cash for 30 years.

Brokers agree that the debenture stock market has been looking thin recently, with uncertainty regarding the issues. With the lifting of stamp duty, however, this could change. But debentures in general have largely given way to loan stocks as a method preferred by companies to raise capital.

Debentures are traded on the market in the same way as any other stock (although their marketability is not considered very good at the moment), but for the small investor their appeal lies in holding them to redemption.

You can choose your debenture portfolio to give a relatively low flat yield and a high redemption profit, or produce capital sums over a period of years. Patience could pay off: "If you are looking for a long-term fixed-interest holding, you should definitely search in this field," says Richard Prestwich of Henry Cooke Lumsden.

Dina Thomson

COST COMPARISON OF REPAYMENT AND ENDOWMENT METHOD

Table comparing Repayment and Endowment methods for a £30,000 mortgage over 25 years. Includes columns for Net monthly loan payment, Monthly life premium, Total net cost, Projected cash surplus, and Loan payment/Endowment values.

Costs that count

EACH SUCCESSIVE fall in mortgage rates enhances the price competitiveness of using the endowment method to repay a mortgage compared with the standard repayment method.

Norwich Union Insurance is spending nearly £500,000 promoting endowment mortgages backed by some attractive quotations. On net monthly cost alone, the endowment is cheaper than the repayment for

More baits tempt the borrowers

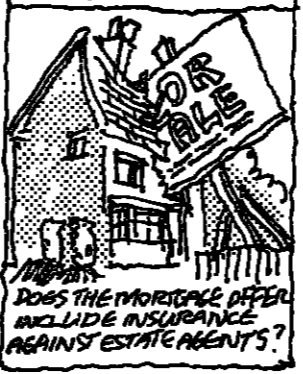
John Edwards on the latest lures from the building societies.

THE BATTLE in the home loans market continues. Latest to join the fray is TSB England and Wales, which is offering free home contents insurance for 12 months and free life cover of up to £50,000 for the first named person.

TSB also charges no arrangement fee. It claims that, taken together with the free life insurance cover, this can be worth up to 0.5 per cent off the mortgage rate. This is probably just as well, because the 1 per cent cut in the rate, as part of the new package, still leaves TSB charging 11.5 per cent — most building societies and clearing banks have gone down to 11 per cent.

The free home contents insurance is available immediately for those taking out a policy for the first time, or on renewal of an existing policy. The offer has been introduced initially for five months to September 30.

As a further attraction TSB is introducing a Mortgage Guarantee Certificate, valid for three months from acceptance of a mortgage application. The Certificate will assure a potential



must rest with the borrower. But he needs to remember that the tax-free surplus shown in the quotations related not to current pounds, but to pounds paid in 25 years' time. Inflation may be under control, but it has not been eliminated.

And life companies will not be able to maintain present bonus rates if interest falls any further. Quotations from life companies at the present time are highly misleading, though those from Norwich Union are more conservative than some other life companies.

In making a choice, borrowers must remember that the endowment method is less flexible than the repayment method. If interest rates do rise again, then the monthly cost on the endowment will rise much faster than under the repayment.

Eric Short

10.75 per cent in the second; 11 per cent in year three; and 11.25 per cent in the four to 25 years period.

Those rates will be adjusted in accordance with overall rate changes. The only restriction is that applications will not be accepted through third parties (such as brokers), and borrowers must be first-time buyers of residential property which they will occupy. The Society will issue a written undertaking of the amount of mortgage available, subject to valuation, which will be valid for three months while you are house-hunting.

Meanwhile foreign banks, which have led the way in lowering their mortgage rates, are maintaining the pressure. Canadian Imperial Bank of Commerce will be cutting its rate for existing borrowers to 11 per cent in June, but continues to offer a discount of 0.5 per cent to new borrowers between April and mid-July.

Citibank and United Bank of Kuwait have both lowered their home loan rate to 10.75 per cent, making it very competitive. In future UKS will give loans of up to 80 per cent of valuation regardless of the amount borrowed.

Over-the-Counter Market

Respectable at last

ON OCTOBER 27 while the Big Bang ricochets around the City, the over-the-counter market will be made respectable by the creation of the Stock Exchange's "Third Market" in unlisted shares. But what will it have to offer to the private investor?

Until now, OTC investment has never looked very attractive for the private investor," said Peter Ensor, a director of Laing & Cruickshank's private clients' division.

"Firstly, they are not dealing with a regulated market. Secondly, they are not dealing with a formal settlement system. The creation of the Third Market will go some way towards solving these problems, but what it won't do is to make OTC investment any less risky."

In its current, unregulated state some 230 companies trade their shares on the OTC market. The market is composed of 24 licensed dealers, most of whom act as sponsors, brokers and market-makers for their shares.

Given that each dealer effectively operates a "mini market" in each OTC stock it is often difficult to match buyers to sellers and the pace of business is relatively sluggish.

For unlisted companies, the attractions of the OTC market are obvious. Whereas the Stock Exchange and, to a lesser extent the USM, demand strict standards of disclosure from listed companies, all the OTC market demands is that its companies abide by the Companies Act, while individual dealers stipulate minimum profits of £100,000 and a one-year track record.

The costs of securing a listing on the OTC market are much lower than for the main market of USM, and, unlike the two established markets, it does not exclude companies created by the Business Expansion Scheme.

For private investors, who value stability and security in their portfolios, the OTC market looks like bandit territory.

Some of the larger OTC dealers have made strenuous efforts to attract private investors. Harvard Securities, for example, made markets in blue chip stocks like British Telecom and Britoil as loss leaders to coax investors towards OTC trading.

Nonetheless, they have tended to steer clear of the market. One problem has been that private investors, certainly those with larger portfolios, tend to rely on the guidance of stockbrokers who, as members of the Stock Exchange are proscribed from dealing in unlisted shares.

With the creation of the Third Market, all that will change. Members of the Stock Exchange, including established brokers, will be able to deal in all stocks on the market, although not on the OTC market conducted outside the Stock Exchange.

Similarly, licensed dealers like Harvard Securities and Granville have been able to apply for membership of the Stock Exchange, since the "Little Bang" in March.

Whether established brokers will exercise their option to deal in OTC shares is more problematic. If there was a specific request from an individual client for an OTC stock, then at least we would be able to deal in it for them," said Peter Ensor.

"But given that the market in OTC stocks is so restricted, and the companies involved are so small, it is unlikely that we, or any of the other large brokers, would deal on the Third Market."

The optimists among the established OTC dealers counter that the introduction of regulation, however light by Stock

Exchange standards to the hitherto unregulated market will add an aura of respectability and allow investors to give up about OTC trading. By contrast, the possibility of OTC dealers' control, the imposition of regulation will simply stifle the flexibility and entrepreneurial spirit that has catalysed the growth of the OTC market.

Responsible or not, market-makers are the problem that dogged the old OTC will persist on the Third Market.

Lack of liquidity in OTC stocks has been a constant problem and there is no apparent reason why being swept under the rug of the Stock Exchange passage will alter it. Similarly, the lack of research into and information on companies quoted on the USM has impeded its development. Almost all the companies on the OTC market are smaller than those on the USM — the market capitalisations are £200m and £3.5m respectively — and are thus less likely to be researched by analysts.

Perhaps the largest factor militating against the progress of the OTC market is the psychology of the British investor.

In the US, where stockbrokers' commercials belch out from every television screen and cab drivers regale their passengers with tales of their coups on the pork belly futures markets, OTC dealing has spawned a sophisticated market of its own, in NASDAQ.

Yet in the UK, where investors tend to be much more conservative, the rough and tumble of OTC trading is much less alluring. Or, as one broker put it: "OTC investment will look like opting for the Business Expansion Scheme without the tax benefits."

Alice Rawsthorn

Buying bit by bit

REGULAR savers, who may find difficulty in raising the initial £500 needed to buy unit trusts, are being offered an alternative way in by the Henderson group.

Under a scheme just launched called the Henderson Investment Builder Account, a minimum of only £25 a month is required. This is immediately used to buy any one of the

group's 29 unit-trusts of your choice. Holdings are then built up using the regular monthly payments and, through the automatic reinvestment of net income from the units.

Investors who make 24 consecutive monthly payments will be given a 1 per cent "loyalty" bonus of units. And if you come into the scheme before

next Friday, and maintain payments for the next two years, you get a further 1 per cent bonus.

Charges are exactly the same as for normal unit trust purchases; the initial (front load) charge is 5 per cent. You can also switch between the group's different trusts without penalty, if you have a £25 minimum in any one trust. You can withdraw part, or all, of your investment, at any time.

J.F.

UNIT TRUST YEAR BOOK 1986

With over 900 unit trusts on the market offered by almost 150 management groups, both private investors and investment professionals need comprehensive guidance on this diverse and rapidly expanding market.

In the Year Book, you'll find detailed profiles of every authorised UK unit trust, with full performance figures for each of the past six years, and "league tables" for each sector of the market.

Each profile explains the minimum investment required; current value of the trust; the charges made; its principal holdings; a ten-year record of dividend distributions, and offer price highs and lows. Details for each management group include a summary history, address, telephone number, names of directors and names of the trusts managed.

As well as these detailed analyses, the Year Book includes a number of other valuable tables: rankings by percentage capital growth over a series of years; trusts in order of size, including details for the last four years; trust yields, showing changes in net distribution; monthly sales and total funds; and management groups in order of size and performance.

The Unit Trust Year Book also includes a number of important articles covering such vital topics as "Comments on Performance",

"What is a Unit Trust?", How to Invest", "Choosing a Unit Trust", and "Getting Advice". In short, the Year Book has everything you need to assess the value, performance — and future success — of those unit trusts already available.

CONTENTS table listing various sections like 'Review of 1985', 'The role of the Unit Trust Association', 'Table of trusts in order of size', etc.

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Vertical text on the right edge of the page, including 'Clo...', 'Though they...', 'watches also...', 'fine pieces an...', 'demand. Alas...', 'Taste...', 'WE ARE NOW...', 'ABLE TO OFFER...', 'INTEREST FRE...', 'ON ALL WATCHES...', 'DAVID MORRIS...', 'AND GIFTS IN EV...', 'NO DEPOSIT...', 'SECOND-HAND ST...', 'TELE: 499 2222', 'David'

FINANCE & THE FAMILY

Driving home

In July 1984 I was compulsorily retired from the Civil Service. I bought a new car and exported it to Belgium, where I worked in a scientific capacity until the end of November 1984, a period of four months. I then moved to France with the car and worked for ten months for an international bureau until August 1985. I then obtained another contract in Belgium. As I was not in any of these countries for more than a year I did not have to register the car, so it still carries British number plates. Now I wish to return to England where my permanent home is, and always has been. When I exported the car I understood that I could bring it back free of duty provided that I had used it abroad for more than one year plus any accumulated duty spent in the UK during the year. I have heard that the rules have been changed during the meantime.

Can I bring the car home without incurring car tax and VAT?

The Customs and Excise issued Notice SA. In January 1986 which deals in detail with the questions you have raised. This document should be read for a full listing of the rules. Briefly the rule in relation to a move to the UK from an EEC country is that you must have used the car for 6 months in that country before coming here. If you return from a non EEC country then in order to qualify for freedom from tax and duty you will have to have used the car for 12 months outside the EEC and used the car for six months before it is imported.

Water and the law

I would appreciate your opinion on a question of legal rights to a water supply to a holiday home which has drawn water from and through the adjoining farmer's land for some 50 years. No written evidence of way leave or right to draw water appears to exist and the farmer has said that at the time the plot was sold for building there was a "gentleman's agreement" to supply water from the farm.

I hope however that some more substantial right in law has been established after so long a period of usage. I would also like to know if there is any action I could take to strengthen my existing right?

As you have drawn water through pipes laid in the adjoining land for over 40 years without there being any written agreement, you will have acquired a legal easement in a right to draw water through those pipes.

If, however, the building on your land is not at least 20



years old it may well be that the right to the supply of water is limited to use for the plot as it was before the building was erected in use for domestic supply for the flats may be excluded.

Avoiding work

I was advised some years ago to conclude the making of a will with the clause "the apportionment Act 1870 and the rules of equity about apportionment are not to apply to my Estate." I cannot now trace the reason given for the inclusion of such a clause and I wonder what its effect is?

It is likely that it was intended that any income such as dividends which is paid into the estate after death should be treated as belonging to the estate in its entirety, in order to avoid the administrative work of apportioning part as lifetime income and part as income of the estate arising after death.

Home with no VAT

The introduction of VAT upon all building work, other than new buildings, creates a problem when deciding upon the correct full value to be applied to a house for insurance purposes.

Insurance companies generally require the insurance party to cover the full rebuilding cost (excluding the cost of the land upon which the building stands). Otherwise the insured is considered to be his own insurer for any difference between the full rebuilding cost and the amount insured (the dreaded "average" clause).

A new building not being subject to VAT addition, if a total loss occurs and the house requires to be totally rebuilt, VAT can be excluded from the rebuilding cost. Any partial loss of the building will result in VAT being chargeable.

What does an individual house-owner establish as full rebuilding cost? The value including or excluding VAT?

With house values now quite commonly in six-figure sums for rebuilding cost, an insured house-owner could quite easily find himself suffering a substantial loss, in the event of a partial destruction of his house, if he fails to add 15 per cent for VAT to the established insurance value.

An inquiry to my own insurers, has produced the unsatisfactory reply "if you

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are not registered for VAT you should include it in your insured sum." The construction of a building is zero rated for VAT purposes. We can see no reason why you should have to insure your property for a price in excess of its re-building cost.

Danger to a domicile

My domicile of origin is Trinidad. (I was born in Trinidad when it was my father's place of domicile).

I have now been resident in the UK without interruption since August 1971, so I am close to the 17th year when, I believe, I will lose my domicile status. Is this correct? And if so, how long would I need to reside abroad to "break" the seven-year-year stay; is it six months, or a year?

I have taken steps to protect my overseas assets by creating a settlement in the Channel Islands. In anticipation of possible changes in the law, however, I am wondering whether it might be worthwhile to spend the necessary time abroad to avoid losing my "not domiciled" status.

You do not actually change your domicile merely by remaining resident in the UK, under the current law of England and Wales, or Scotland or Northern Ireland. However, you may be treated for the purposes of inheritance tax (IHT) as though you were domiciled in one of those three countries unless you leave the UK by April 5 1987 and remain abroad until April 6 1991. We recommend that you seek professional guidance through the reconstructed tax maze, in anticipation of this year's Finance Bill (after the Easter Recess).

Is interest due?

What is the position where a solicitor is one of three executors and also the solicitor acting in the administration of an estate where the will requires realisation of all assets and subsequent payment of legacies which are a proportion of the residue of the estate—after the payment of minor, specific, pecuniary legacies? Is interest due to the residuary legatees for the period between realisation of the assets and payment of the legacies (if, for example the money is on bank deposit); or does the solicitor take it?

Interest as such is not payable on residuary legacies for the first year from the testator's death. Interest earned accrues to the estate, however, so that the residuary legatees will ultimately benefit from that interest. The residuary legatees are entitled to see the accounts setting out the administration of the estate.

Buying a pub

Local heroes

DESPITE ITS awesome reputation for being the toughest job around, running a pub remains a favourite choice for large numbers of people who feel ready to make a break.

Whether on the back of a redundancy cheque or with savings painstakingly built up over the years, the prospect of owning your own inn still holds, despite all the horror stories, a special attraction for many.

Long hours dripping bar-tops, dirty ashtrays and quarrelsome customers could arguably deter all but the strongest constitution. But an increasing number of aspiring licensees are indeed prepared to have a go, especially if they can call the business their own and they are not tied to one of the breweries that dominate the pub market.

Recent months have apparently seen an unprecedented demand nationally for good free houses and country inns with a handful of cosy bedrooms. Much of the demand comes from private individuals, although they have to compete with breweries and hotel chains for the attractive properties.

With an estimated 70,000 free houses in the country and a traditionally high turnover of ownership, there are nevertheless plenty of properties from which to choose. The south-east is a naturally popular choice but, throughout the country, demand is high for the right kind of business.

If the job of running a pub is challenging enough, however, securing the finance can itself represent a major hurdle, with bank managers' enthusiasm for "the local" invariably confined to the role of customer rather than financier.

Only a handful of brokers specialise in the business of pub mortgages and even fewer have managed to become members of the National Union of

Licensed Victuallers in their attempts to provide a tailor-made service for the pub purchaser.

One of them is Capital Planning and Finance of 150 Southampton Row, London WC1, which has just started offering a package specifically aimed at customers wanting to buy freehold licensed premises.

Capital Planning has linked up with Beneficial Trust—the UK subsidiary of Beneficial Corporation of the US, the New Jersey-based financial services group—and another finance house to make available £10m for borrowers.

The company will make loans of up to 15 years and will advance sums between £80,000 and £500,000 at an interest rate 3 per cent over the London interbank rate. This, it claims, is about 1 per cent lower than the rate being offered by its nearest rival. Maximum advance will be equal to 70 per cent of the purchase price or valuation whichever is lower. On receipt of references, accounts and a valuation, an offer can usually be issued within 14 days.

Capital Planning will charge £100 for what it describes as a "picking up the phone fee" and then 1 per cent of the funds borrowed, against figures of up to 4 per cent charged by some lenders who also make a charge at the end of the loan period.

The company also offers a package which includes life insurance to cover the loan period and license indemnity, and can also provide accounting, stock control and VAT services. First-time pub-owners, as well as landlords who are ready for bigger things, will be helped.

All applicants must however, have had at least three years' experience in the trade. Presumably, if they have survived that long, their stamina alone makes them a worthwhile bet.

Art index sags

Anthony Thorncroft surveys the investment potential in words of art

SOTHEBY'S, the fine art auctioneer, has never flinched from promoting the investment potential in works of art. Its great coup was to sign-up the British Rail Pension Fund as an investor in the 1960s, and the fund is probably sitting on some nicely appreciating artistic assets as a result.

Last autumn, Sotheby's began to publish a bi-monthly Art Market Bulletin, available free to those with a serious interest. It aimed to plot price trends for works of art, and to compare them with other investment and financial indices. The results, so far, make depressing reading for works of art.

By the end of March, the aggregate index for 10 leading art markets—including Old Master paintings, Impressionists, English furniture and silver, Chinese ceramics, et cetera stood at 432, as against 467 a year previously. As the editor of the Bulletin concluded: "The first three months of 1986 have clearly demonstrated that the art market's trading cycle does not always follow the cycle of the main financial markets."

While stock exchanges throughout the world have touched new peaks, and with even gold recovering well, the art market was quietest. This flies counter to the general view that some of the money made on the stock exchanges goes into works of art.

Of course, much depends on the quality of the goods coming on to the market and there were some exceptional results, notably in Japanese works of art, musical instruments and portrait miniatures, while English furniture continues to dazzle. This week, Christie's hit the jackpot with the Hatcher sale of 18th century Chinese export porcelain in Amsterdam.

But, in general, the art market is trading quietly at around the fairly high levels set at the end of last year. There have been disappointments—Old Masters are proving a selective market, with buyers only for the very best paintings. Christie's had a bad auction of Continental works of art last week with a bust of Benjamin Franklin by Michael Rysbrack, the kind of item which should have had Americans competing madly against each other, remaining unsold.

The fall in the value of the dollar has undoubtedly affected certain markets such as wine, and there has been less American buying at furniture sales (although this was made good by stronger Continental demand). British paintings, and the 19th and 20th century decorative arts, are still attracting US purchasers, but the uncertainty over the dollar is clouding the trade.

On a year-to-year basis, among the 10 sectors, only English silver was recording a gain on March 1985—helped by the fact that three leading dealers who often bid in partnership (legal if the auctioneer is notified in advance) this year found themselves in competition.

No one in the salerooms is panicking yet, and the money washing around the City does

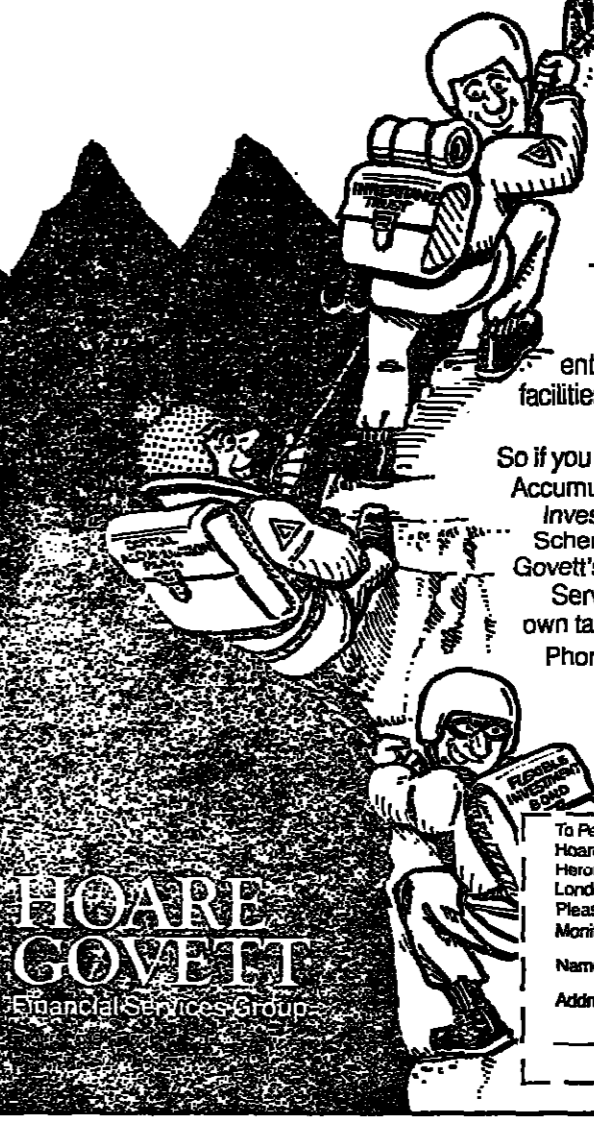
seem to have tempted in some serious new collectors for Impressionist paintings, by far the most important and investment-conscious of the markets. Traditionally, the Impressionist auctions at Sotheby's and Christie's are very much a foreign affair, with most of the paintings coming from abroad and going back there; but at Sotheby's reasonably successful auction in March, there were some native bidders—and buyers.

The absence of multi-million price bids will reduce the turnover of the auction houses when they report at the end of their season in July, but they still hope that a good June will confirm that the underlying trend is buoyant. June has become the big month for the auction houses in London, with the rich of the world flocking in for social events but also spending at the Grosvenor House Antiques Fair and at the auctions.

Sotheby's is offering 38 items of Tang dynasty pottery and metalwork, which could top £1.5m; a 15th century Book of Hours, with a £300,000 high estimate; a Louis XV commode with a royal provenance (£100,000-£150,000); and a Tissot painting of a beautiful woman (£100,000-£150,000).

Christie's has a portrait by Modigliani of his mistress which should make £1m; an Oriental scene by 19th century artist John Frederick Lewis, expected to top £250,000; and one of the best collections of 18th century German porcelain to reach the market. It will be these auctions that decide the fate of the art market in 1985-86.

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Sticky fingers policy

GLASGOW Art Gallery and Museum is one of those wonderful Victorian multi-subject palaces of improvement. "Everything from bunny rabbits to French Impressionists," says its director, Alasdair Auld. When he joined the staff 30 years ago, visitors used to creep around whispering; when children came, they were often tied wrist-to-wrist to an adult in a bid to keep them out of mischief, and prams were banned. Now, children bring their parents. "I don't see why people should think they are coming into a cathedral when they come to a museum. It is a place of enjoyment, and learning is an enjoyable thing," Auld declares. So, when a group of children comes to learn about, say, the Origin of Species theory, Charles Darwin in white beard and frock coat explains what he had in mind. Mary Queen of Scots steps from her portrait to tell her story and answer questions. One of Auld's eight branches is Haggis Castle where children are positively encouraged to touch objects like an ancient spinning wheel and to dress up in period costume. "When children come to learn about weaving, for instance, they enjoy well weave," he says. Auld calls this "having fun learning" but it is part of an ethic being adopted throughout museums in Britain, including

London where the Cloro Foundation has promised £5m to set up a centre, probably on the South Bank, which will be called something like Discovery World. It will include a house in which everything is working and cut-away so that children can see how and why, an office, a beach, a vast mouth, robots, even a roadway with a man-hole beneath which will be found a tube station. It is due to open in 1988. The "hands-on" concept was brought from San Francisco a decade ago by Professor Richard Gregory. He is the director of the brain and perception laboratory at Bristol University and author of *Eye and Brain* which expounded perception, visualisation and communication as a tangible subject. Lecturing in San Francisco he met Frank Oppenheimer, brother of the atomic bomb scientist, who had started something called the Exploratorium where adults and children were encouraged to make things work and so learn about them. In September, with £250,000 sponsorship from the Nuffield Foundation but much more needed, he opens his own exploratory in Bristol with 30 or 40 objects such as locks, television sets, refrigerators, a camera obscura, and "fairly simple games." He says: "The object is to show how science works," and visualises such



centres cropping up all over the country. At the Natural History Museum in London, getting scales under little fingers is what interests Dr Roger Miles, head of public services. That is one of the activities of the Family Centre which opens now each Easter and during summer holidays in what is otherwise the sandwich room. Children can touch reptiles and see that they are not really slimy, or look through microscopes at things that probably are. In 1988, in the eastern basement, this will become a

So Launch Pad will entice children into finding out about power. Cravily, piston-power and so on with appealing objects like robots—workable by hand electronically to show not only the physical value of electricity but its manipulative limitations, too. "The main thing is that they have a jolly good time, with any learning as a by-product," he says. This extraordinary playground is being funded initially with £700,000 from the Department of Trade and Industry and the Leverhulme Trust. Wear and tear will be a major item of cost. At the London Transport Museum in Covent Garden, so many youngsters wanted to sit in a bus driver's seat and work the instruments that a driver's cab was chopped off a modern bus and installed in the gallery. It was found that components which would last five years in a working bus last five weeks there. Discovery World and the Science Museum will have permanent employees in direct operations; however, staff is short at the Natural History Museum and Dr Miles will rely on adults using the written advice of his officials. But at the Bethnal Green Museum of Childhood in east London—which is as much about the history of childhood as it is about the lack of manpower and money means that curator Anthony Burton cannot see his dreams coming true soon. According to Burton: "Seeing people looking at some of the objects here—adults and children—it's quite clear that they wouldn't half like to have a go. We ought to go towards hands-on, interactive displays with some reproduction toys so that people can come not just to look at objects but to play with them. But we don't have the staff or the money"—the museum is a branch of the beleaguered Victoria and Albert.

Burton adds: "The need to give visitors a good time and education have got a bit blurred. It should be a total experience. I continue, with serious lectures on the sociology of childhood at one end of the scale and sheer fun at the other. You've got to give people an enjoyable experience beyond just looking." At the Natural History Museum, which quietly opened its doors on Easter Monday, 1981, with hardly anybody noticing, Dr Miles says: "The attitude is changing towards visitors as a whole—and changing faster than at any other time in history."

much larger, permanent part of the museum. Dr Miles rates it as "the most exciting initiative we've got coming." Next door, at the Science Museum, something even more ambitious opens in 1,000 metres of gallery space at the end of July—Launch Pad. The museum's head of education, Dr Anthony Wilson, sees his brainchild as a "quantum leap" and explains: "There is a realisation that they are not really slimy, or look through microscopes at things that probably are. In 1988, in the eastern basement, this will become a

A nation of has-bees



HOME-PRODUCED honey may be in short supply this season. What must have been the longest and driest winter in years has taken a heavy toll of bee stocks in Britain. Many beekeepers have found that their colonies have literally starved to death. Fruit farmers in Kent and the Herefordshire / Gloucestershire area welcome bees in their orchards to increase their yields through better pollination by bees—an arrangement which suits the apiarist who gets access to a prolific early source of nectar. But if the cherry and pear blossom is delayed—as it looks like being by about three weeks unless we get some warm sunny weather soon—many honey farmers will face empty hives. It is about the middle of April that Apis mellifera is up and doing. Beekeepers, who go by the feel of the weather rather than by date, make their first hive inspection three or four fine days after the flowering current bushes are in full bloom. This year flowering is nearly a month behind and we seem not to have had three fine consecutive days at all. Queens—the insect variety—ignore weather forecasts, and went into top gear laying brood some weeks ago. The emerging grubs—the summer's future nectar gatherers—will be competing with adult

workers for a steadily diminishing supply of stored honey, with precious little food coming into the hive in the way of pollen or nectar from the shivering snowdrops or the odd brave daffodil. If, when he makes the first inspection of the hives, the beekeeper finds that he has lost his colony altogether, or that during the winter the queen has either died or become too old to lay, replacement will be a costly business this year, and will not in any case guarantee any honey at the end of the season. A nucleus—which is five frames of bees, of which four

have brood and one contains food (capped honey and pollen) normally costs about £20. A bee farmer near Daventry is selling nuclei for £25 this year. Now is the time to purchase them, but they will take some time to build up strength and may not give much in the way of a crop. Replacing a queen is usually done in July and, here again, there won't be any bees available for about £10, and even re-queening can be a chancy business. The last resort, of course, is to hope for a swarm. The saying goes that "a swarm in June is worth a silver spoon," as in June the swarm is likely to be a prime swarm with an adult fertile queen. However, that silver spoon may prove a bit garish if the bees bring disease with them to infect the other stocks in the apiary.

The Ministry of Agriculture has wisely turned its face—at the beekeepers' insistence—against indiscriminate importation of stocks because of the threat of importing with them the bee diseases endemic in the US and much of Europe. Queen or swarm must have a Ministry licence and a health certificate from the country of origin. Even so a queen can be smuggled in a container as small as a match box. The curb on bee movement does not apply in Britain alone. Only last year a man was arrested at Nairobi airport and charged with smuggling a colony of bees under her habit. As a colony can consist of upwards of 25,000 bees, she must have had a ticklish job hiding that little lot. While UK honey production has been falling since the Second World War, consumption is increasing. Much more honey is now imported from the US and South America, where food brood control measures are far less final and effective than ours. In the UK, ministry inspectors ensure that infected colonies are destroyed, combs burnt and the hives scorched. Elsewhere the infected bees are not treated until after their commercial honey production has been gathered and the organisms, sent in drums to the UK packing stations. However, if the bees survive the cold weather and disease, a half-way decent summer should ensure that in our garden at least, there will still be honey for tea. Sara Evans

Phobias

Private prison

ONE WOMAN I know feels such total panic at the idea of going outside her house that she cannot even put out the milk bottles. Another man can manage to get about 100 yards away from his home before the same panic arises—and feeling this is unfair on his dog has made a special 50 ft lead so that the animal, at least, can go a bit further. These people have what is called agoraphobia—a Greek word meaning "fear of public places." It is the most disabling of all phobias; some of the more calamitous sufferers have never been outside their houses for 10 or 20 years. Anyone who does not suffer this way is totally bemused by the condition; so, often enough, are those who do. Agoraphobia starts with an unexpected and violent attack of panic. The sensations are exactly the same as if a tiger had jumped into the room: pounding heart, palpitations, inability to move, sweating, dizziness or fainting. Most people believe they are going mad or having a heart attack. Few realise it is only their nervous system summoning up resources to fight the "crisis" signs of stress. Agoraphobia is sometimes called "the calamity syndrome" as it so often happens after a severe shock, operation, death of a relative or change of lifestyle—like getting married or having a baby. The fear of another attack sets in and, sure enough, possibly helped by their nervous expectation, it happens again. The person concerned starts feeling safe only in or near the house, goes out less and less and finally, in some cases, not at all. There are estimated to be 200,000 agoraphobics in Britain, about 80 per cent of them women. One reason for this imbalance is social conditioning: it is still acceptable for a woman to suffer from "nerves" and stay at home, but it is not acceptable for a man to say he is frightened to walk down the street. So men admit it for less and use strategies to conceal their condition. One theory about agoraphobia is that it can be a result of avoiding risks or possible failure: a woman, for example, for not making that better job or not having to socialise. Agoraphobia is very complex and can also be part of an unknown, lodged power struggle in a relationship: a way of controlling the other partner. One man used it as a protection against getting married. "We'll marry when you're better," his fiancée kept saying. A wife can use it to keep her marriage secure. If her husband "can't" go out in the evening, because of her being housebound, he is less likely to go off with someone else. It can also be part of the inter-dependence between a couple. A man might need to have his masculinity boosted by having a totally dependent wife—even if it means taking the children to school and hanging up the washing. When, a few years ago, several women agoraphobics were substantially improved after being treated in an Essex psychiatric hospital, three of the husbands became impatient—unable to cope with the change in their hitherto dependent wives. One of them, aware that her new independence threatened her marriage, quickly developed back trouble and the relationship went back to its old, successful inter-dependence. Viewed as a switch-on or switch-off power game, agoraphobia does not sound too serious—yet the lives of thousands are made miserable by it. What can they do? The treatment which has been very successful in curing agoraphobia is called behaviour therapy (that is, therapy to help you alter your behaviour) in a hospital; this is usually carried out with a group of agoraphobics. They are first encouraged to go for a short walk together with the therapist—which is no easy feat. As one psychologist, in charge of such a group, said: "A lot were convinced that they were going to fall or faint—and you can't convince them that they won't." This, he felt, is one advantage of a group: each time anyone stops, he is about to collapse, not only does he encourage them to go on but so does the whole group. Many agoraphobics cannot get out to a hospital but the same kind of encouraging technique can be carried out from home by a relative or friend who can accompany them out, help calm them if they get overwhelmed by panic, and encourage them to take another step. Agoraphobia is naturally isolating. In response to this, private societies have now been set up and it is their newsletters, tips and local self-help groups that have been particularly successful in beckoning hundreds of agoraphobics outside their four walls. The Open Door Association, 11, Park Road, Haswell, Newcastle, is a voluntary organisation with a letter to help agoraphobics. Local groups send out membership drives. Institute of Behavioural Therapy, 35 Queen Anne Street, London W1, Cassell's training courses in anxiety management. Write for one to touch with a local therapist in your area where possible. Action on Phobias, 83 The Avenue, Eastbourne, Sussex. Helpline to create community-based self-help groups for phobics, especially agoraphobics. Joy Melville

Collecting

Pay up and play the game

WHAT IS human life but a game of cricket? The third Duke of Dorset, 18th century devotee who kept a stable of cricketers as some might keep a string of racehorses, could well ask that. Much has been documented on the game's antecedents, and early forms of play with bat and ball appear in illustrations of medieval manuscripts. In the 1530s John Derrick, a Queen's Chamberlain, wrote of the boys of the Free School of Guildford, who "did run and played there at cricket." James Love, made the first full scale coverage of a match in verse. "Hail Cricket! glorious mainly British game!" was the opening line of his long poem on Kent against All England in June 1774. The game has also left a considerable mark on British art. Collectors of cricketiana can call on paintings, prints and ceramics, as well as historic bats, balls, stumps, protective clothing and score cards. But it is not an international market like golf. Duncan Chitt, of Phillips, says: "Bidders are nearly always from the UK and Commonwealth." Signed cricket bats are worth looking out for. Jack Hobbs' bat in the Surrey-Middlesex match at The Oval in 1930, when he scored W. G. Grace's record of 54.8% runs, made £1,200 last year. But bats with less impressive associations should be under £100. In Phillips' sale on Wednesday, June 1, just before the first Test, another unique bat is expected to make well over £1,000. Signed in 1915 by 25 famous cricketers, among them Lord Hawke, George Gunn, Herbert Standen, Wilfred Rhodes and Albert Trott, it was originally sold for 70 guineas in 1914 at the Red Cross. The papers on it included 12 Test captains, three presidents



"Leg III," 1860 lithograph in the "Double Century" exhibition at London's Burlington Gallery, W1

of the MCC, and between the lot of them they earned 786 Test caps, in the days when only three countries played Test matches—England, Australia and South Africa. Also in Phillips' sale is a complete run (1884-1894), of Wisden. The original set was presented in 1948 in Sir Henry Leveson Gower by the Surrey Cricket Club of which he was president, and it has been added to by the family ever since. It is expected to fetch £5,000 to £8,000. In the £300 to £400 class is

one of those nice cricket pub tables, whose three cast-iron legs bear a moulded head of W. G. Grace. A major exhibition "Double Century—200 years of Cricket Prints," is at the Burlington Gallery, Burlington Gardens, W1, until Friday May 16. Alec Belder has written the introduction to the catalogue (£1.50). Evocative illustrations of Lord's at various stages are on show along with early 20th century photographs of Victor Trumper and Gilbert Jessop, and many memories of W. G. Grace—an original 1886 water-colour by Cecil Cutler, a souvenir handkerchief, score sheet and commemorative Coalport plate. One of the rarest of all cricket prints is the one of the 1872 match in Toronto, with 22 men of Canada taking on an eleven of England, and "W.G." preparing to receive the bowling. It is £2,000. Many prints are under £100, with transfer-printed ceramic mugs from E.A. Staffordshire figures of George Parr, famous for his unorthodox leg into a tree which stood until recently at Trent Bridge, and the distinctive Surrey batsman known by the unlikely name of Julius Caesar, an 1875 fair, fetch £1,000 to £1,500.

Gardening

Heat your greens

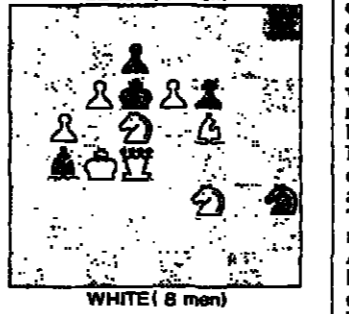
EVERGREENS suffered most last February when the wind blew from the east for a month and the weathermen kept talking about the wind chill factor. The result was quite different from that of frost in still air which would have browned individual leaves or even parts of leaves almost at random throughout a plant. Wind chill burns everything that it touches but the damage is likely to be confined to one side or even to one small section of plant where it has been exposed. My camellias are in that state now and I cannot recollect ever having seen leaves of the japonica and Williams varieties damaged before though their flowers usually get frozen once or twice each season. This time some leaves are completely brown, though maybe just one or two branches are affected, while other parts of the same bush remaining undamaged. The question is what to do about it now and the answer is nothing until one is quite certain whether the damaged parts are beyond recovery. It may take till mid-summer to be sure, though already I can see that some of my severely wind-chilled bushes are likely to recover because I can see new buds bursting into growth. In other cases I cannot yet be sure. The leaves look awful but the buds still seem to be plump despite not yet attempting to make new growth. On the whole, semi-evergreens have a better chance of surviving cold wind than full evergreens because they can fall back on their second option of dropping leaves. Privet is very good at doing this and I notice this year that the excellent small evergreen tree Eucryphia nymansensis has dropped a lot of its leaves in an effort to limit the stress. This medium height but quite narrow tree covers itself in August in white flowers rather like single roses. It was produced at Nymans, the beautiful Messel garden at Handcross in West Sussex, by crossing evergreen Andean cordifolia with deciduous Chilean E. glutinosa and so it has always been a bit ambivalent about its foliage. I am certain that cordifolia would have succumbed in my garden this year, but two trees of nymansensis look like struggling through because they are better equipped to survive without their leaves. Gradually it will be possible to see just how much has come through and then to decide what is worth salvaging and what should be replaced. My inclination is always to try to preserve, especially if the plant



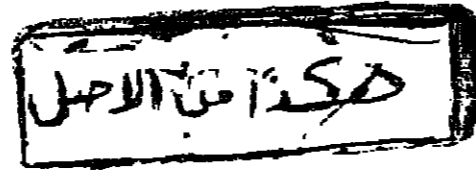
CHESS

A SIGN of the increased interest in British chess is that there are now four magazines available for club and social players who want to improve by following the latest master moves. The long-standing and established publications are the British Chess Magazine (BCM), 9 Market Street, St Leonards-on-Sea, East Sussex, and Chess, Sutton Coldfield, West Midlands. The BCM, founded in 1881, is now associated with the British Chess Federation which has been the driving force behind our rapid rise up the world league. It contains news and reports from current tournaments, endgame and problem sections, and instruction articles for club players, all edited by a knowledgeable former international, Bernard Caffery. Chess, first issued in 1935, and edited for 50 years by E. H. Wood, has a chatty style with quizzes and games where you have to guess the winner's next move. Its Postal Chess Club offers correspondence play to anyone from beginner upwards

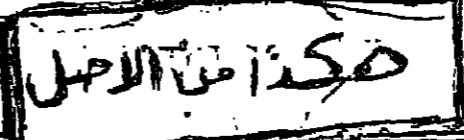
the KN until White can conveniently precede it by B-Q3. S P-B3; 9 P-KN3, PxP: 10 P-QP, PxP: 11 B-PXP, B-N5 ch; 12 B-Q2. Now he should block the check by 12 N-B3. 12...N-Q4; 13 B-N2, N(2)XP: 14 PxN, NxP. Though Black has only two pawns for the knight, he wins by force. 15 N(2)-Q4. Or 15 N-B4, Qx6 ch; 16 K-B1, Bx8; 17 N-N2, Qx8; 18 Qx8, P-KN4 when White resigned a Russian game. 15...N-Q6 ch; 16 K-K2, BxB: 17 Q-N3, Q-R3 ch; 18 K-B2, BxB ch; 21 K-B1, B-B6; 22 Q-N3, P-QN3; 23 QR-N1, B-R3 ch; 24 N-N5, BxN ch; 25 Qx8, RxDN; 26 Resigns. If 26 BxR, R-KB1 wins quickly. Black's last few moves were virtually an action replay of the stem game Hamann-Uhlmann, Halle 1863, with the slight difference that there White put his QR to Q1 and interposed his knight at K2. Any trap where inevitable to defeat is well worth remembering. PROBLEM No. 518 White mates in two moves, against any defence. This week's



Correct answers qualify for a harder postal stage, followed by a final in London in January 1987. Prizes are £100, £50 and £25, and the winner and runner-up will represent Britain at the 1987 world solving championship. To compete, solve the problem and send your answer (White's first move is sufficient) to Lloyds Bank Sponsorship, Princess House, 152-156 Upper Thames Street, London EC4A. Mark your solution "Financial Times" and post it to arrive by July 1. Leonard Barden



DIERSIONS



Low marks, no sparks

biggest, most successful retailing company?

Above all it seems to me fundamentally patronising—merchandise for "them" as opposed to "us."

I believe the secret of the success of the food operation (and its success is huge) lies in the fact that M & S were the first chain-store to believe that the great British public could recognise excellence and would pay for higher quality and greater sophistication.

Would it not be wonderful if Marks and Spencer applied all its skill and know-how and commitment to value for money to giving customers the sort of furniture and furnishings that its own directors would like.

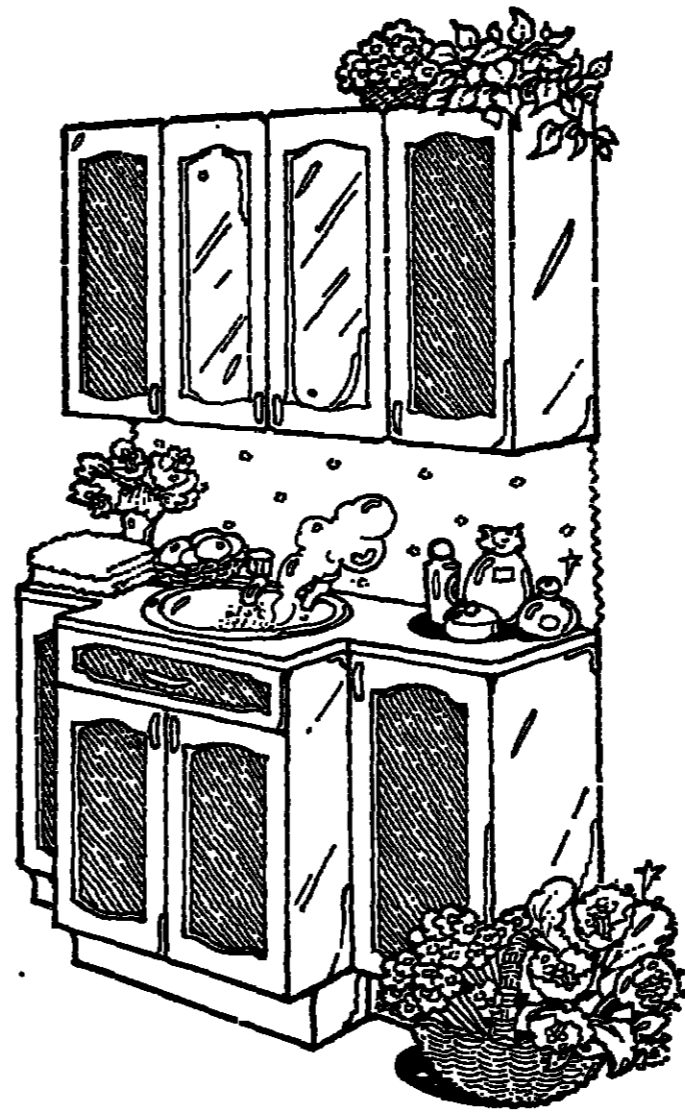
Not that M & S seems worried. With its turnover it can afford to turn the other cheek. Don Tragram sees the demise of the department store as the opportunity for Marks and Spencer to plug a gap in the market.

But can this strategy work when the products emit such a curiously old-fashioned air, entirely uncontentious, strangely decorous? It is an awfully dainty world, redolent of doilies and fringed lampshades, net curtains and dinky china.

The wallpapers, to take a precise example, are neither ravishingly pretty nor sparklingly fresh, neither uncommonly striking in plain nor strongly patterned. They seem to say... well nothing. There is a vast collection of tableware splattered with the most pallid-looking flowers it can ever have been men's lot to devise.

There are rugs that are neither proper Persian nor yet convincing contemporary interpretations—carpets specially created in order never to cause offence (and by that same token there is precious little chance that they will give much pleasure either).

It all seems a cautious, pallid collection, conceived with the no doubt admirable democratic notion of pleasing most of the people most of the time. You will have gathered that it does not please me.



Left, from the range of bathroom cabinets comes this range of pine effect self-assembly units—single base units sell at £50 each, vanity units at £115 and a double wall unit with mirror doors at £65.

To be sure, the towels are excellent value, and come in some good colours. The bedding, though also not in pure cotton, is easy-care and will no doubt have survived those famous M & S testing procedures, so there is every chance they will survive even my laundry service.

They have all carved a precise niche for themselves. Before you go through the doors of any of these emporia you must already have made an important decision—you know the sort of thing you want and roughly what you are going to find.

Marks & Spencer's new Home Furnishings stores are a much more amorphous breed, hard to define, with little perceivable character.

Don Tragram says that he sees his market as slightly older than that of Next Interiors. Habitat or Laura Ashley. He thinks his customers are probably established home-owners rather than new owners. He

sees them as seekers after a "tasteful" range of well coordinated merchandise that all works together.

Personally, I have the utmost difficulty in imagining who could want much of what is on offer. Is there anybody out there who still dreams of a "nest of coffee tables," who hankers for a velvety three-piece suite, or a padded velvety "shaped" headboard? As for what the press release describes as the "piece de resistance of the lounge"—upholstered furniture on display with St Michael curtains, wallcoverings, rugs and paints—I cannot see into what kind of life-style it would fit.

Indeed, when I asked whether rumours of the involvement of an internationally renowned design company were true I got an appalled reply of "Certainly not." The furniture, it appears, has "been developed specially for us by our supplier." Like the camel, the products seem to be the result of "design" by committee. It must be enough to make all those bright young things emerging from our art schools despairing. Where are all their talents to go if there seems so little scope for flair, originality and innovation in our

life-style it would fit.



SOFTLY, SOFTLY over the years Marks & Spencer has been making steady headway into the profitable world of purveying a complete ready-made life-style. About 20 years ago somebody who must have had authentic entrepreneurial blood running through his veins came to the obvious conclusion that those who had come to trust in St Michael for knickers and sweaters could be counted on, in the fullness of time, to look to him for their sheets and towels as well.

After the sheets and the towels came the saucers and the tea-cosies, the cashmere and the curtains—it just grew and grew until, like an overgrown pot-plant, it needed replanting. Always expert at analysing precisely what makes the cash-bills ring, the home furnishings division director, Don Tragram, showed that though sales of home furnishings were usually some 7 per cent of the overall turnover (excluding food) this rose to between 15 per cent and 20 per cent when the full range was on offer, properly displayed. The clamour for a separate Home Furnishings Store, where all could be seen in its full glory, became irresistible.

In this week saw the opening of the first "stand-alone" (in use the awful jargon of the trade) store in London's Oxford Street, just opposite the Marble Arch branch. Next week it is the turn of Drummond Place, Croaydon, where 7,700 square feet of carefully co-ordinated and displayed home furnishings will be revealed.

Here, fans of the M & S way of life can see the whole collection on show in room sets for kitchen, bathroom, bedroom and living room, grouped according to colour-range.

Ardent scourers of the shelves at M & S will probably be familiar with much of it. There are the flower-headed bits of china, the stacks of ornaments (what on earth can they all be for?), the crystal vases and perfume sprays, the ready-made curtains, the kitchen and bathroom accessories. A familiar and reassuring collection, no doubt, for those whose style it is.

What will be new to all except those who shop in the Kingston branch, where it has been quietly test-marketed these last few weeks, is a collection of furniture for bedroom, bathroom and living room.

The pine furniture, though unoriginal (or not to mind our noses, plainly derivative), is much the easiest on the eye. It is a trifle on the shiny side but some of the shapes are admirably plain and workmanlike and they bear testimony to the well-known M & S concept of

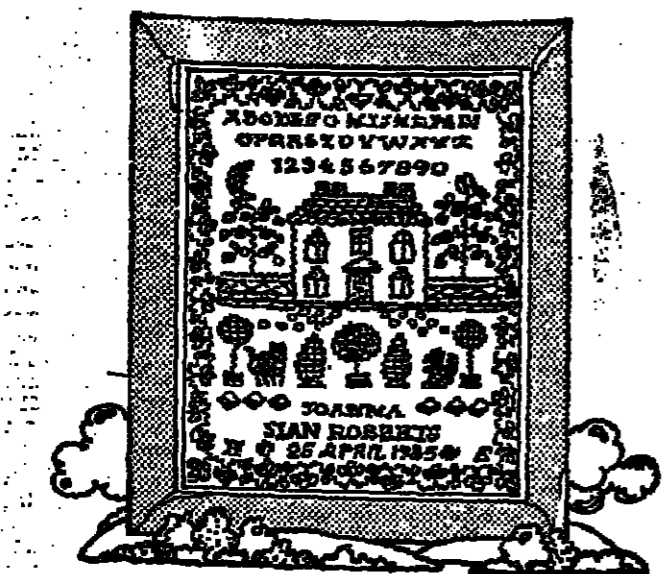
"value for money." The pieces are very well-priced—a splendidly simple kitchen wall unit with glazed doors, 29 1/2" high by 23" wide by 13 1/2" deep, is just £85. A good wardrobe, perfect for a young girl's bedroom, is £299 and you could buy a well-shaped sturdy blanket-box for just £99.50.

The bathroom furniture is perhaps the most daring—merely five or six years behind the times in venturing into a range of some dark-stained wooden cabinets.

If you like the furniture, the new M & S stores offer almost instant delivery. Anybody who has ever tried to buy furniture from more established outlets will know what a boon this will be. All furniture will be delivered free (in other words, the cost is built into the price) in under 14 days.

The great question on everybody's lips (though not, of course, at M&S, basking in the knowledge that its £350m-a-year turnover happily outstrips the opposition) is just what this great new thrust will do to the sales of other specialists in marketing a complete life-style—Habitat, Next Interiors, and Laura Ashley?

I think they have little to fear. They have not entered for the same race. Habitat, with an estimated turnover of between £60m and £70m, Next Interiors, with turnover running at some £10m, Laura Ashley at about £60m, are all aiming at much more specialised markets. Habitat has a lien on first-time home-owners, on the fashion-orientated and the modern-minded. Next has good prices and a sophisticated interior-decorated look and Laura Ashley has its innocent prettiness.



A stitch in time

Kits: sew far, sew good

STITCHERY is a small company which in a short time has managed to gather a big reputation for producing needlework kits of exceptional charm. Most of them have a distinctly nostalgic air, using traditional themes of flowers, leaves, domestic objects and animals as the basis of the designs. Colours tend towards the gentle with lots of soft green, pink and blue—all those that would look good in an English country house or cottage.

Since the first Birth Day Pictures (small needlework squares into which the name and date of birth of the child are added) and the first few cushions, the range has expanded enormously. There are now some exceedingly pretty flower and ribbon cushions, a strawberry cushion (pale green background and strawberries worked into squares) and, most nostalgic of all, a proper old-fashioned sampler-type picture, seen sketched here.

Few of the many needlework companies

around offer a traditional sampler pattern and this one has some of the most authentic colours I've seen—all soft beiges, pinks and greens. Space is allowed to fill in the date the sampler is worked and any names the customer wants to incorporate into the design. There are two versions—£14.95 for the Evenweave basic kit, £18.95 for the same design on canvas. Both measure 25 by 32 cm.

All the Stitchery designs come in kit form so that you get all the wools, the bound canvas, needle and a chart of the design, together with instructions and diagrams. Those who want to expand their range of stitches should note that Stitchery makes a point of introducing new designs which encourage the eager to improve their repertoire.

If you would like the full-colour catalogue, send £1 (which will be refunded with your first order) to Little Lodge, Watts Road, Thames Ditton, London KT7 0BX, or Rose Cottage, Watts Road, Thames Ditton, KT7 0BX.

LvdP

A good breath of fresh hair



THE DAYS of twisting hair onto rollers and then fixing the roller with rather agonising hair-pins are almost in the mist of memory. Today, all manner of more comfortable means of curling hair have been developed—and more important even than comfort is the fact that they don't damage the hair the way the old-fashioned rollers did. Latest device for dying hair safely and easily are the Schumi Shapers—they're made of foam, come in three bright colours (two red, two

yellow and two blue to a packet of six short shapers) and can be used on wet or dry hair. They can simply be twisted in the hair and then the hair be left to dry out—no need to add artificial heat, the heat from the body will be enough.

Long shapers, not surprisingly, are made for long hair and they come in packs of six (£7.99) or nine (£9.99). Short shapers come in packs of six for £5.99. They are available from Schumi salons and major department stores like

Selfridges or Harrod's. Or they can be ordered by post from Schumi, 16, Post Street, London SW1 for £1 extra to cover postage and packing.

FOR KEEPING unruly hair in place or adding a decorative touch for evening, Mary Quant has produced a range of relatively inexpensive hair ornaments which are about to hit major department stores and larger chemist's shops. Sketched here clockwise from top left is a cellulose bow on

a comb—in black, white or blue, trimmed with white it is 49p. The velvet bow on a slide comes in black or blue (or choose it in fuchsia, navy or white satin), trimmed with diamonds, it is £5.49. Another bow on a comb, also in cellulose, in black and white or blue and white with some sparkly diamonds, £7.99. Next black and white or blue and white slide, also in cellulose, £2.99m. Finally, most dramatic of all is a dramatic butterfly hairslide in dappled grey, blue or white.

Once again made from cellulose, it is £2.99.

IF YOU haven't invested recently in a pair of good hair brushes you may well be amazed what they cost. Floris sells this handsome gentleman's military style hairbrush for £43 each or, given that gentleman's hairbrushes should always come in pairs, at £85 the pair. The back is made of a creamy composition of resins which sounds much less attractive than the reality

—it has much of the feel and look of real ivory (though a bit shinier) with none of the drawbacks (no endangered species has either suffered or been put at risk). The bristles are real and have been put in and tied up by hand ("hand-drawn" is the technical phrase). Floris of 85, Leeson Street, London SW1 will send them by mail—£3.95 extra for a single brush but if you buy a pair they'll post them free.

LvdP



Click go the needles

ROYAL anniversaries and needlework seem to go together almost as inevitably as all those other famous old partnerships like Bangers and Mash, Darby and Joan, Torvill and Dean. There is nothing like a birth, a birthday, a wedding or other celebration to set the needles clicking and the wool-splinnings.

Planned specially for the Queen's 60th birthday is this canvas designed by the Royal School of Needlework and seen and approved by the Lord Chamberlain's office (though for this particular birthday there are no official anniversaries).

Recently always looking for new designs for kneceler to make up for their local churches) or it can be framed as a picture.

It is immensely colourful, being worked in some 12 different colours and there is a choice of two sizes—2 ft by 20 in for a kneceler with embroidered drop sides or 18 in by 14 in without the drop. The size of the actual design is the same in both cases—14 in by 10 in.

The pattern is printed on white de luxe Zweigart 14-hole canvas and should be worked in tent stitch using the Applique's crewel wools. The price with drops is £25.50.

Meals to defy perverse elements

THE CALENDAR says May but the weather says March. It is all very confusing and makes life difficult for the cook.

Plan to raise a cold damp spirit with a rib-sticking cheering menu and what's the betting the weather will suddenly turn benign? Will that tiny patch of blue in the sky expand, plan to celebrate with the light fresh tastes of Summer and the chances are the weather will play foul. What should poor cook do?

WARM CHICKEN SALAD

A salad tie-de, with its mixture of hot and cold ingredients, is perhaps the best way of hedging one's bets when the weather is unpredictable. Serve this, with lots of good fresh hot crusty bread on the side, as a lunch dish for 2-3 people.

2 smallish portions of chicken breast; 1 crisp dessert apple; a small bunch of grapes; crisp young Cos lettuce leaves; 2-3 spring onions; a small handful of hazelnuts; about 3 tablespoons mayonnaise (a good commercial brand will do); Worcester sauce, soy sauce and peanut oil. Coarsely shred 8 or 9 large lettuce leaves into a salad bowl. Sprinkle over them the diced but unpeeled apple, toss in a little lemon juice to prevent discoloration. Add the grapes, left whole if they are seedless, or halved and pipped. Add the hazelnuts, also the

Toss gently to mix. Make a mildly devilled sauce by stirring into the mayonnaise at least 1 1/2 teaspoons Worcester sauce and 1 teaspoon soy sauce. Add more of these ingredients and/or mustard, lemon juice, salt and pepper as you wish. Skin and bone the chicken and cut the flesh into slivers. Stir-fry it in a little peanut oil for a couple of minutes. Tip the contents of the pan into the salad bowl. Add the sauce. Toss quickly and thoroughly and serve without delay.

RED, WHITE AND GREEN

Imported red peppers and beans from Kenya are combined with fish in this healthy and fresh-tasting salad. On a fine day it makes a good lunch dish. If cool and dull, I would serve it as first course with an omelette or a simple dish of pasta to follow. Serves 2-4 or more. 1 lb fresh haddock or cod fillet; 1 lb french beans; 1 lb red peppers; 1 lb tomatoes; lemon juice; garlic (optional); virgin olive oil; chives; salt and freshly ground black pepper. Skin and bone the fish. Slice very thinly. Toss gently in the juice of a lemon. Cover and marinate in the fridge or some other cold place for at least 2

and "cooked." Turn the fish occasionally as it macerates. Top, tail and steam the beans. Drain and refresh under a cold tap for just a few seconds. Toss in a teaspoon of vinaigrette and reserve.

Grill the red peppers. Rub off the blackened and blistered papery skin. Cut the softened flesh into long narrow strips and anoint with a few drops of olive oil.

To serve, drain the fish on kitchen paper, then pile it onto a dish—or divided it between individual plates if you prefer—and sprinkle with a few fresh chopped chives. Arrange the beans and the red peppers either side of the fish, and serve accompanied by good bread and a fresh tomato sauce.

To make the sauce, skin the tomatoes and scoop out the seeds. Reduce the flesh to a purée in a food processor and season to taste with salt, pepper, a sliver of garlic and some lemon—bearing in mind the acidity of the fish.

PRAWN SALAD WITH CELERAC AND WATER-CRESS

I think of Jerusalem artichokes and celeriac as being mid-winter vegetables. They are

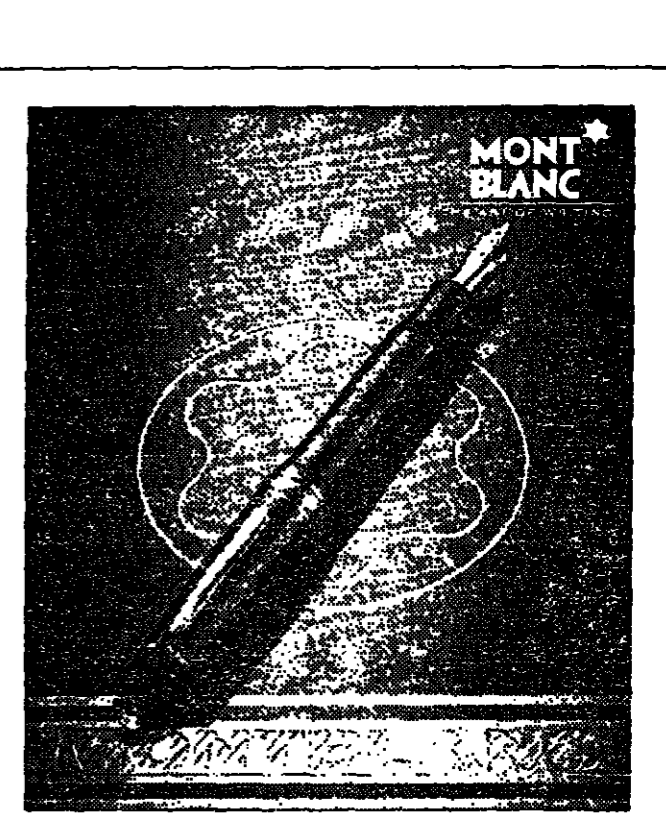
year—amazingly—they can still be found in the shops. This salad is very quick and easy to assemble and makes a good lunch dish for 2-3 people, accompanied perhaps by a few new potatoes, no larger than quails' eggs, steamed in their skins. Alternatively, serve the salad as an attractive first course for six.

6 oz hulled prawns (shelled weight); half a large celeriac root; 1 large or 2 medium bunches of watercress; 1 hard-boiled egg (optional); vinaigrette dressing; lemon juice, salt and freshly ground black pepper.

Season the prawns with plenty of salt and black pepper. Toss with a little lemon juice and reserve.

Pel and grate the celeriac. Use a very coarse grating blade and as soon as prepared put into a bowl containing 2-3 tablespoons vinaigrette dressing. This is important to prevent the celeriac from discolouring. Toss gently but thoroughly. Wash the watercress, discarding any yellowing leaves and tough hairy stems. Dry and break into large sprigs.

Add most of the prawns and most of the watercress to the celeriac. Mix together to form a serving dish, or on to individual plates, and garnish with the remaining watercress and prawns—plus chopped hard-boiled egg if wished.



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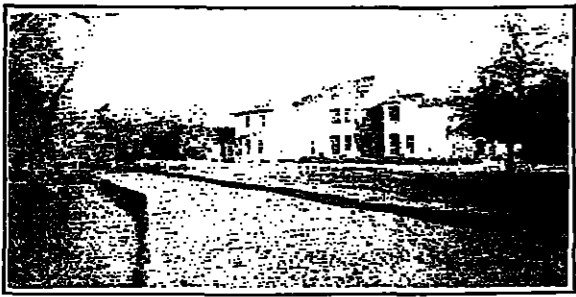
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PROPERTY



A haven for taxpayers and small boats: the harbour of St Peter Port in Guernsey.

Entry fee is 'status' in a two-tier market

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It does sound too good to be true. But if your commuting is not dictated by a nine to five schedule and your concept of "cheap" housing is formed in terms of the six-figure prices we now accept as normal within and close to London, then Guernsey is just such a haven.

A barrier of ignorance has helped to isolate the Channel Islands from the rest of the international property market. Incoming, particularly those from mainland Britain, tend to be blinded by the pressures of establishing a domicile outside the UK tax authorities' reach. Jersey's restrictions on incomers are tight enough to

keep all but the wealthiest would-be exiles at bay. Guernsey, on the other hand, lets the open market operate with a surprising freedom.

To buy and live on Jersey, you have to satisfy a subtle mix of income and capital tests. There are no blunt rules. Even applicants who can meet the calls for a guaranteed income of around £100,000 a year, and who could comfortably afford to buy a "substantial" property, are not guaranteed a resident's license. The States of Jersey like to sift their millionaires in other ways, and they restrict the total of newcomers to single figures each year.

Keeping the Jersey population at or around the 80,000 level in this way fits in with the impression of the Channel Islands as a retirement home for the very rich. Yet, for

the price of an average family house in London, there is a reasonably broad choice of properties available on Guernsey.

Perhaps the most common misunderstanding is that there are laws to prevent the purchase of property on the island. The fact is that anyone can buy a flat, a house, a farm or whatever appeals to them. The problem is that not every buyer can live there.

Since the late 1960s, when Guernsey divided its 18,000 houses and flats into "open" and "local" properties, a two-tier residential market has operated. Some 16,000 of the island's homes are available for local residents or those who hold one of the three or four hundred "essential worker" permits issued by the island's legislature.

If the employers of a bank manager or financial specialist drafted to an office in Guernsey are able to win "essential" status for the newcomer, they can buy or rent whatever they want on the island.

According to Ben Lovell, whose Lovell & Partners in St Peter Port is one of the leading property agencies in an island market active enough to support 30 separate firms, local market rentals start at around £2,000 a year and you can still buy small bungalows or terraced houses from £35,000.

The choice of properties does not widen until you move into the £40,000 to £60,000 range.

Above that, to a shade under £200,000 for the most impressive of the local market homes, the range spreads out to include handsome, small-scale granite farmhouses and Georgian town houses that date from the island's first great period of prosperity as a trading centre and—ironically, since much of the trade involved France—as a British garrison during the Napoleonic wars.

Quite a few "Guerns" talk bitterly about "essential" workers being able to buy with the help of company subsidised mortgages and bidding-up the price of upper range local properties. For their part, incomers complain that, once licensed, they cannot change their job without risking the loss of their right to live in a local market house. They would have to live on the island for 20 years before acquiring local status in their own right.

You could get around that by marrying into the local market, acquiring your partner's right to buy and live there.

You could, as an outsider, buy a local market property and rent it to a local, but even though rent controls are far less restrictive than in the UK, and applied in a way that takes account of the landlord as well as the tenant, returns tend to be uncommercially low. The

Falling oil revenues had already slashed the number of Middle East customers for flats and houses and flats in London. The Libyan bombings, and British Government support of US action, could now slice the City off their shopping lists altogether. Richard Crosswhite of Knight Frank & Rutley says: "These overseas buyers will be a very small amount of Arab buying in London in the next 18 months or so. The art galleries are already reporting a cutback in business."

KEE continues, "Even though there is a broad international demand for Central London properties in the quarter of a million to one-million-pound price range, with plenty of British competition thanks to the City's generosity to itself, Middle Eastern buyers remain the only significant buyers of the £1m to £2m homes at the top of the price range. As Mr Crosswhite says: "There could well be a glut of very large, expensive houses unless we see an influx of buyers from somewhere else."

Even then he sees problems: "These overseas million-pound properties have tended to be done up with an Arab buyer in mind, and they are suddenly not there."

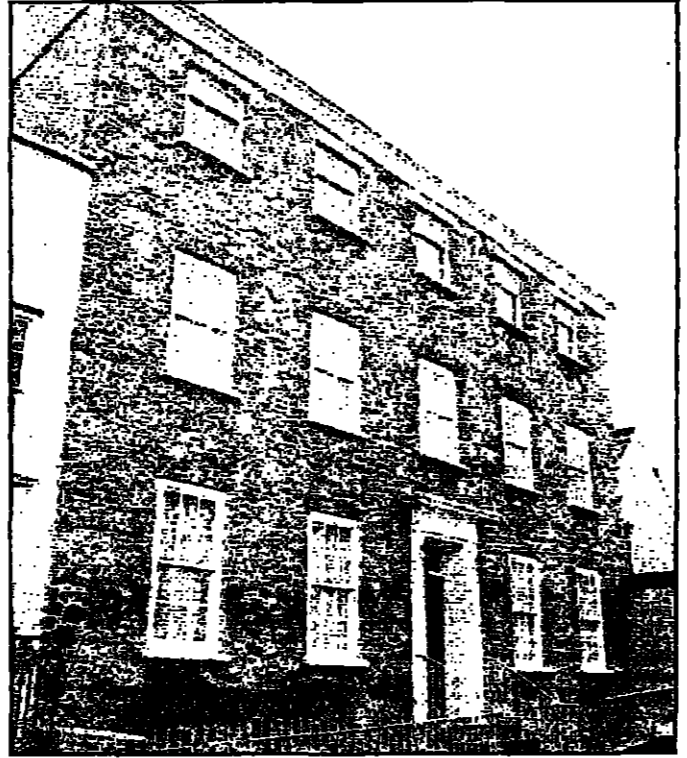
traditional premium over their mainland equivalent has been steadily eroded.

State-subsidised public schooling is one surprising incentive for a newcomer with younger children, although those who plan to do more than watch the sunsets are more encouraged by the income and capital taxes, the VAT-free shopping, and an equally undemanding revenue charge on local companies.

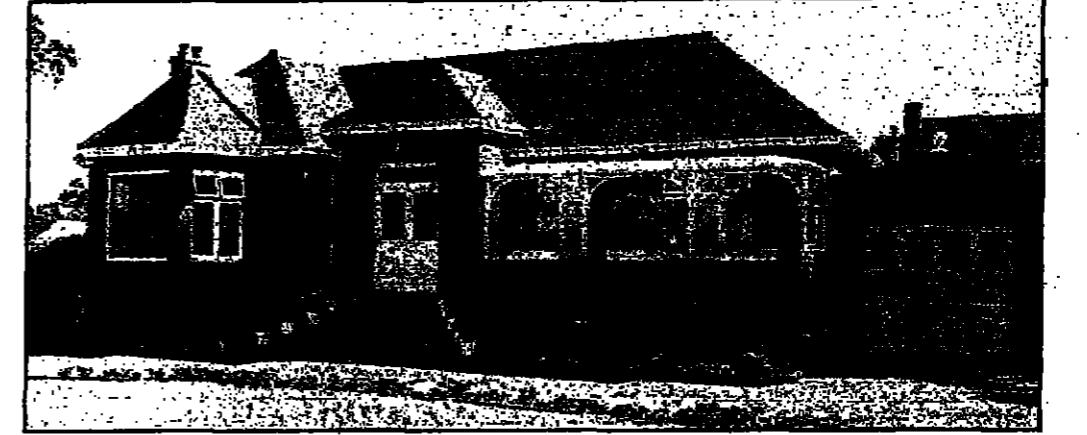
New technology is also creating a new generation of commuters able to do much of their work from electronic offices on the island.

An hour's flight time from Gatwick, 20 minutes from Cherbourg (and the City Docklands' Short Take Off and Landing airport is an obvious additional flight connection in the near future) Guernsey is a viable commuter base for all but the traditional, twice-daily commuter.

John Brennan



On the right, a 1947 three-bedroom detached bungalow overlooking Grande Harve Bay in north Guernsey: £225,000 through Lovell & Partners (0481-23636). On left, for sale at £450,000 to include a cottage let for £2,000 a year, a five-bedroom, three-bathroom town house in St Peter Port.



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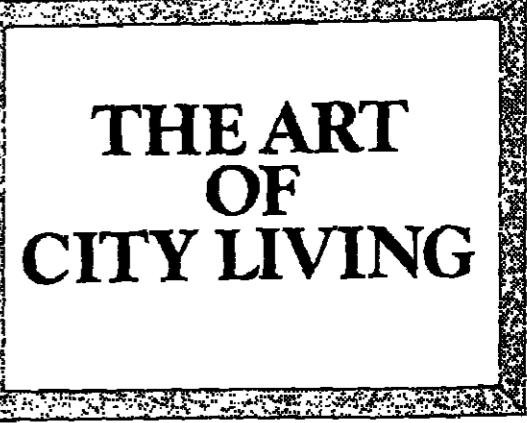


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TRAVEL MOTORING

Doors open on N. Korea

Linda Christmas becomes the 'precious guest' of a country avid for tourists

KOREA has always been an elusive country. Until the end of the last century it was known as the Hermit Kingdom and when it came out of hiding it attracted only indomitable travellers like Isabella Bird...

We stayed awhile before journeying by train to the border town of Dandong. Our group consisted of journalists, academics and a host of seasoned travellers...

No one visiting Korea today, North or South, would think of the 19th century. The past seems to have changed all that the Japanese stomped all over Korea in the first part of this century...

comfortable because the tourist life-style is so much at odds with the standard of living of the people. This society may lack Western frills, but the general standard is much higher than in China...

Only recently has the Democratic People's Republic of Korea—the North—felt inclined open its doors a little; it now openly desires tourists so long they are not American or Japanese in order to amass much needed foreign currency...

The food too caused few complaints. The Koreans have a habit of serving their rice cold, which is a pity, but it comes with a variety of side dishes, both meat and fish to cater for most tastes.

Isabella Bird may have suffered from the lack of creature comforts, but the modern visitor need have no qualms. Nor need the visitor feel un-



Far from the DMZ: Korean bride and friend

desire for peaceful reunification. It was a memorable day.

Our second countryside visit was to Mt Myoyangsan, 'The Fragrant Mountain', 75 miles east of the capital. Here amid glorious scenery is the International Friendship Exhibition; a colossal old-Korean style confection with curved roofs of blue tiles built to house the many thousands of gifts presented over the years to the President.

It's all rather brash and reminiscent of the days when a certain class of person used to display wedding presents for the intimidation of givers and guests. In this instance the Chinese top the poll as the greatest gift givers.

These two visits were undertaken by train, a sluggish night-time train which left Pyongyang at or after midnight and arrived in the early morning to disgorge its passengers to a shower and breakfast at a nearby hotel.

from the novels of Thomas Hardy, to the problems of nuclear waste, to the writings of President Kib II Sun.

Kim Il Sung, now 74, led the struggle against the Japanese and has masterminded the rebuilding of his country. He is known as The Great Leader and is the subject of a ferocious personality cult; his birthplace is a shrine and most buildings and monuments have been erected to celebrate one birthday or another.

Fortunately, Kumsangsan—the Diamond Mountain—made me forget all that while I searched for superlatives to describe the silent woods and the torrents which boomed, crashed, sparkled and foamed just as they had done for Isabella Bird.

There will be two further trips to North Korea this year on June 25 and September 17. However the 21 day tour, costing £1,500, via Irkutsk, Ulan Bator, Peking and Dandong offers only four days in North Korea.

A day in the front line



Korean soldier and girl-friend at a UN Command Camp

FLYING east from Dallas, Texas, you cross 13 time zones before reaching Kai Tak Airport, Hong Kong. The Korean 'check-in' painted on the 747 had a new significance for me: the ancient oriental symbol of yin-yang represents opposing forces constantly in motion.

I had asked the airline agent for a no smoking, aisle seat if possible. With elaborate politeness, he assigned me a window seat in the smoking section aboard the packed aircraft.

What you need is a bowl of snake soup, advised my cigar-chewing companion. Simmered serpent is a Korean cure-all. Together with herbs, ginseng, and dog meat, snake forms the basis of traditional Hanjak medicine.

An elderly lady seated me in a curtained booth, and removing my shoes, placed my feet comfortably on a deeply upholstered cushion above the sink.

While the barbers concentrated on my scalp, knuckle joints were tugged and wrists rubbed and fingers massaged as a prelude to a skilful manicure. A soothing hot towel prepared the face for the shave that followed—a virtuoso performance with a cut-throat razor.

My shoes were returned, polished to a deep shine. They had lost their well-worn patina, and so had I. With much deep bowing, I was ushered from the shop.

I felt ready for just about anything. Ready, in fact, for one of the most unusual tourist excursions in the world—a day trip to Panmunjom.

The tiny farming hamlet that gives Panmunjom its name was wiped off the map during the bloody hostilities of the Korean War. It was here that a cease-fire truce was signed on July 27th, 1953.

The Panmunjom Joint Security Area straddles the military demarcation line which meanders 145 miles across the Korean Peninsula from the Yellow Sea to the Sea of Japan. The DMZ—the inappropriately named demilitarised zone—stretches a mile and a quarter either side of this line.

Heading north on Highway One—Unification Road—the prosperous city soon gives way to farmland. It takes about an hour to reach Munsan, on the Imjin River.

The military are suddenly very much in evidence. American and Republic of Korea infantry guard the strategic river crossing and patrol the barbed wire, floodlit fences on the Imjin's edge.

A black GI in battle fatigues halts the tour bus while a mil-

tary convoy rumbles south across the single track Freedom Bridge. After a security check at a sandbagged guardpost, we proceed. The bleak range of hills not far ahead are in North Korea.

Our first stop is to collect Lt. Kim, a briefing officer from the Republic of Korea Army. He tells of infiltration tunnels, driven through solid granite under the DMZ by the North Korean army.

The NCO's Club—does not appear in anybody's Good Food Guide, and lunch is braised steak and mashed potato, washed down with American beer.

He is clearly used to the cynical laughter which greets his description of the South Korean 'Freedom Village' and North Korean 'Propaganda Village' that we will see from Panmunjom.

After all this build-up, the joint security area at Panmunjom is something of a disappointment. Just a group of barracks—like huts. Blue for those controlled by the south, grey for those occupied by the north.

When the weather and political situation allow, guided tours leave Seoul daily. The trip can be booked at the travel desk in any of the capital's major hotels.

For these tours the Korean National Tourism Corporation, Vogue House, Hanover Square, London W1, has details.

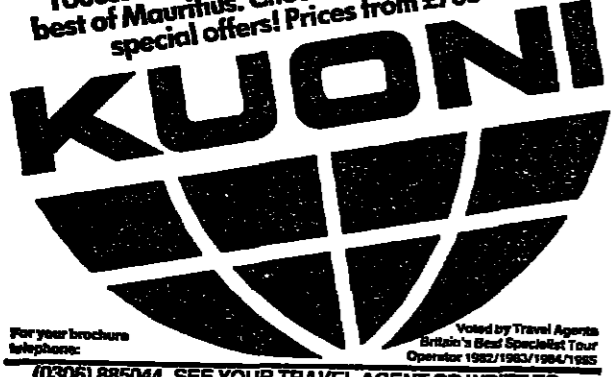
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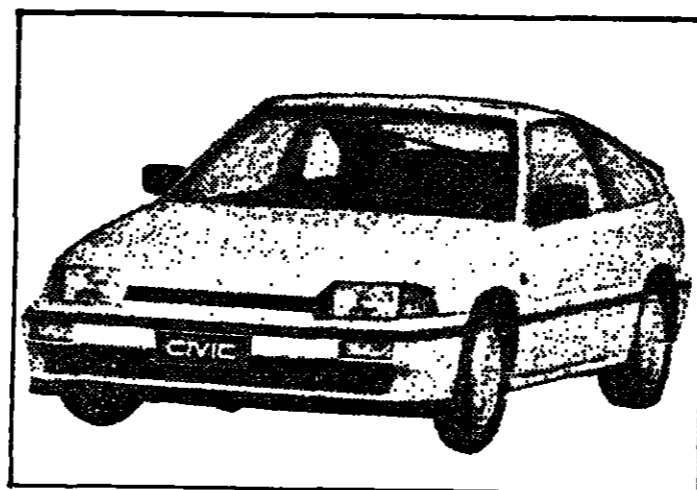
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Honda enters a new age

Stuart Marshall tests two new models



The Honda Civic CRX 1.6i-16 coupe.

A precision instrument for enjoyable fast driving.

Civic CRX 1.6i-16 sports coupe. Automatic transmissions are Honda's own. They have four speeds and mechanical lock-up to save the fuel that is wasted by the slipping torque converters in older automatics.

If the gentlemen's agreement between the British and Japanese motor industries permitted, Honda could sell far more cars here than the 19,000-odd registered last year. Because demand has always been slightly ahead of supply, you do not often get a discount on a Honda. But this is reflected in better retained values for Hondas than for cars whose makers have to buy market share by price cutting.

are generally happy men, it does not follow that they have no problems at all. One is that with the Accord and Prelude having moved up-market with their new two-litre engines, there now is a considerable price gap between them and the Civic. Another is that Honda, in Britain at any rate, is perceived as a car for the older motorist. The average age of a Honda owner is 50 years.

Honda's answer to the twin problems is in the showrooms now—a completely new (though Civic-based) family hatchback called the Integra;

and a hot hatchback to tempt the young out of the Golf GTis, Peugeot 205 GTis and Vauxhall Astra GTEs in which they now cut a dash.

The Integra, which costs £7,150 (or £7,600 as an automatic), was designed originally for the North American market, which might account for a most unusual feature for a family hatchback—headlamps that pop up when you need them and retract when you do not. It looks particularly sleek with styling that is reminiscent of the Prelude. The engine is a 1.5-litre, 12-valve unit; the torsion bar front suspension makes a low bonnet line possible; and the interior is as comfortable and well finished as you expect of a Honda.

The CRX 1.6i-16 is a more powerful update of the original Civic CRX of two years ago, with a twin-overhead-camshaft, 16-valve engine that simply thrives on high revolutions. My driving experience of both cars was limited to an hour or two on the pouring rain at Thruxton racing circuit. Driving a normal kind of car around a circuit does not mean very much although it is entertaining. At least, you can explore limits of handling and roadholding in a way that would be impossible on public highways.

All I can say of the CRX 1.6i-16 is that it is a small precision instrument that will delight the driver who seeks sharp and responsive handling, lots of urge, and mechanical refinement in a single, not-too-costly package. The price is £7,950.

The engine ran smoothly up to 6,500 rpm and beyond, the gearshift was precise and finger-light, and it cornered with little roll at outrageous speeds. When the Bridgestone Potenza 60 series tyres finally let go, a small steering correc-

tion was enough to stop the slide. The CRX 1.6i-16 will be more exclusive than other hot hatchbacks—only 400 will be imported this year.

After the CRX, the Integra felt quite softly sprung; at least, it rolled a lot more when cornered at the kind of speed no one would ever attempt on the road.

Used properly, I have no doubt it would feel rather like the Honda Accord that impressed me so favourably recently (this column, April 12), although on a smaller scale. Both Integra and CRX 1.6i-16 are on the list of small cars on which I feel I must get my hands again.

Scroll call

IS THERE place for which you are looking in a road atlas always in the crack in the middle of the open page? Or do you have trouble folding it up an unconventional map? If so, then the Road Runner will probably appeal. This cartographic map is contained in a cartridge and can be opened out like a scroll, as much or as little as you need. It is easier to read than any other kind of map but convenience does not come cheaply; a set of two 81 inches-to-the-inch maps of England and Wales is £22.95 from PO Box 21, Buntingford, Cambs CB11 1DG. Also available: a 16-miles-to-the-inch Michelin map of France. Others are in preparation.

The trouble with maps is that they go out of date as the motorway system grows. My favourite 1.6 miles-to-the-inch Navigator series from the RAC Great Britain road atlas—like the Navigator produced in association with George Philip and Son—is a welcome successor. At £4.95 it is good value, too.

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BRIDGE

SOME ERRORS, not only at bridge, are unaccountable. Having seen Ballesteros play a terrible stroke in the final round at Augusta, I can face with more equanimity the shame of my first hand today.

With neither side vulnerable, I dealt in the South seat and opened the bidding with two spades. North replied with a negative two no trumps but raised my rebid of three spades to four, and all passed. West led the eight of clubs, covered with dummy's nine, and East produced the five.

I cashed ace and king of spades—that was all right—but

real palooka's effort. West won and switched to the queen of diamonds. I took with my ace and, in a desperate attempt to retrieve the position, I led a deceptive heart queen. West was not to be fooled—he won at once with the ace and continued with his remaining diamond. That was the coup de grace and I had to lose one

diamond as well as two trumps and a heart.

The correct continuation after cashing the two trump honours is, of course, to play the heart king. West wins, and leads the diamond queen. I win in hand, cash the heart queen, and now I can play another round of trumps in case they break 3-3 because I have provided a home for my diamond loser.

I realised my mistake almost as soon as I made it, but I was thrown so off-balance that I failed to see there was another possible way of salvation. I could have cashed the club ace and dropped the king from East. But I am glad I did not—my spade play deserved to be punished.

I dealt and bid one spade. West doubled for take-out, and my partner bid three spades. This was not a strong bid—my good raise to three spades, he would have said two no trumps—but I decided to bid four spades.

After two passes East doubled, and that concluded the auction.

West led the club king and I

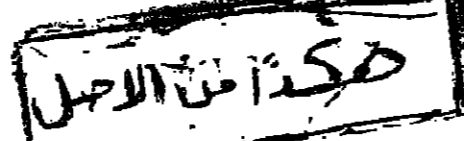
Here is another spade com-

ruffed the queen which followed. I led a low spade to the king, returned the knave, picking up the queen, and drew the last trump, cashed the heart ace, then finished dummy's ten (which held), ruffed dummy's last club, crossed to the heart king, and threw West in with a fourth heart. West was employed and had to lead a diamond, setting up my king, or conceded a ruff discard.

East's double was bad, and his defence was also poor. He should have overtaken his partner's club king with his ace, and returned a diamond. West would take two tricks in the suit, then lead the club queen. But I would still get home, because that club mine in dummy would provide a menace against West, and allow me to avoid defeat by a one-way

West led the club king and I

Here is another spade com-



Clocks and watches

Though they have become a necessity for millions, clocks and watches also convey taste and personality. Specialists are producing fine pieces and restoring collectors' items for which there is a big demand. Alastair Guild reports.

Taste and necessity

TIMEKEEPING has been crucial throughout history to many of the key social, economic and scientific advances. Clocks and watches have, in turn, held a fascination in different cultures since their development from the 16th century.

China was possibly the first country to invent a clock in 1094. Su Sung presented his idea to the Emperor for an astronomical device using water power to drive the mechanism, though the Chinese failed to capitalise on this early start.

Later, they became among the first serious collectors of timekeepers. When the Chinese court wanted accurate or complicated mechanisms, it turned to Europe, as did those subjects of the emperor who could afford to.

During the Manchu rule, Peking purchased or accepted as gifts an extraordinary array of timekeepers. "The Imperial Palace," wrote Father Valentin Chaler in the 1780s, "is stuffed with clocks... watches, carillons, repeaters, organs, spheres, and astronomical clocks of all kinds and descriptions—there are more than 4,000 pieces from the best masters of Paris and London."

Yet these clocks, far more advanced than anything China had developed, were an assault on her self-esteem. The most common response was to belittle the clock as a delightful but highly-dispensable curiosity, to treat it as a toy, according to David Landes in his book *Revolution in Time*.

Landes writes: "Those of us who live under tight time discipline deplore it and flee it when we can. We seek vacations in places where we can put our watches away and let nature wake us and put us to sleep. For others, though, submission to time is the price of modernisation, productivity, potential affluence."



De luxe Mickey Mouse watch in enamelled gold with mother of pearl dial, priced at £10,250. By Gerald Genta.

Though watches may have become an absolute necessity for millions, they can also convey taste, personality, or status.

With the trend towards "fashion" watches, "multiple ownership" is growing. In the trade, that means more people owning watches for different times or activities, be it diving or dining.

However, the overall market in the UK is increasing only slowly, according to a study carried out by Timex (UK). But they maintain that there is still a large number of new companies trying to enter the field. Last year, just under 13m watches were bought in the UK, or a watch for almost every one in four of the population.

New technology has led to a gradual change in mechanism types. "Perhaps now we are seeing a slight change away from liquid crystal display

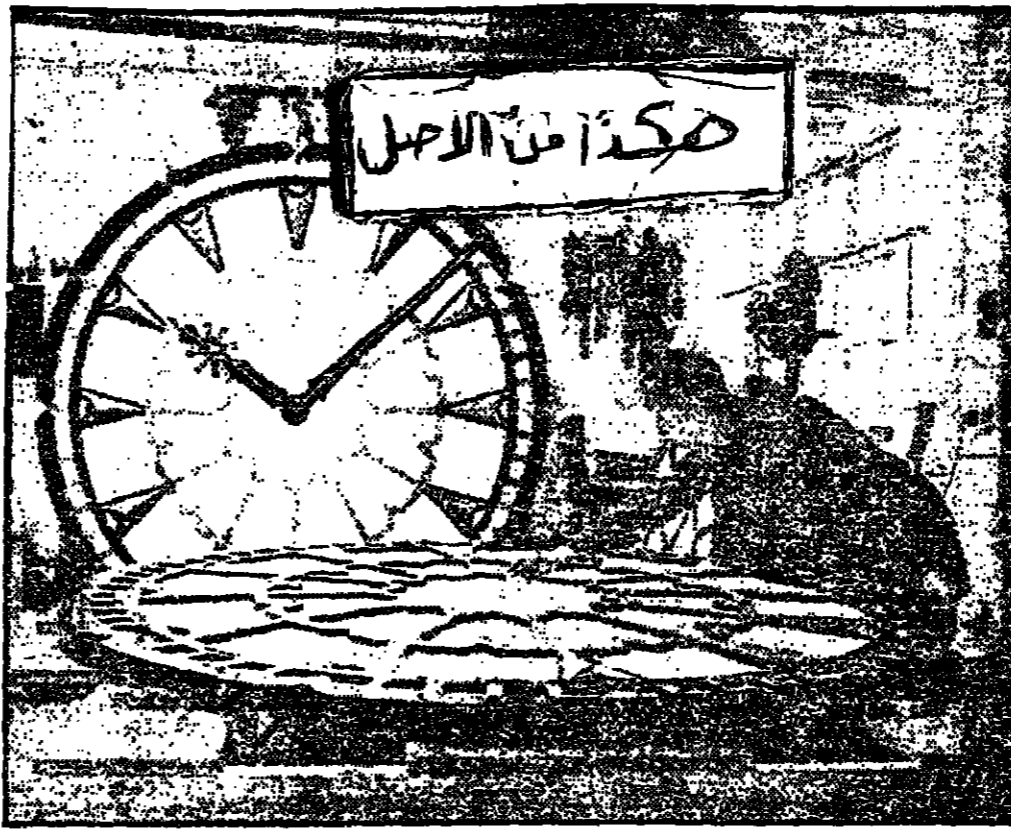
quartz digital watches towards the well-styled analogue product," says the Timex study. There has also been a noticeable fall-off in the last few years in the market share of mechanical watches.

In the digital sector, the under £5 category accounts for over 60 per cent of all digital watch sales. A large proportion of these are free or low-priced pieces given away or sold on garage forecourts or by street traders. Youth is becoming a more important factor too. Now well over half the market for watches is for the under 24-year-olds, and over one-third for those under 15.

Some of these trends are also highlighted in a study by Citizen Watch of the world wristwatch market. "Although digital watches currently exceed analogue in production, a steady growth in demand for analogue quartz watches is emerging as consumers renew their preference for sophisticated, beautifully-designed watches."

Citizen Watch, in its own worldwide study, says: "With over 75 per cent of the world's total 1984 watch output being pieces in the £45-£50 price range, the real future of the industry will remain in this category. This means that some manufacturers will need to streamline production systems and become fully automated if they are to survive in the competitive wristwatch market."

Switzerland, faced by its own declining sales, responded in 1984 with the launch of the highly-successful Swatch for the mass market. Meanwhile, some makers continue to turn out a very few highly-complicated mechanical watches a year. These can sell for six-figure prices, "obviously for a very limited clientele of rich aficionados, for the kind of person who has everything," David Landes writes.



Final touches being made to the faces for a clock tower at the new Sultan Qaboos University in Oman, where the clock, which was made by Smiths of Derby, has just been installed.

Some of the most decorative and luxurious clocks were made by Faberge at the beginning of this century or by Cartier between the wars. They are a reminder of the art and craftsmanship which has gone into clockmaking over the centuries, notably by English makers.

Not everyone can afford the prices fetched by Faberge, or a long case or carriage clock made by one of the other famous makers of the past. However, modern makers maintain that their pieces can often keep time better than "antiques" and that they hold their value just as well. The desire to own a clock, modern or antique, indicates that the fascination for timepieces is as strong as it ever was.

Revolution in Time, by David S. Landes, published by The Belknap Press of Harvard University Press.

USEFUL ADDRESSES FOR ENTHUSIASTS

The British Horological Institute, Upton Hall, Upton, Newark, Notts (Tel: 0638 813793). The BHI has 26 branches throughout the country.

The Antiquarian Horological Society, New House, 11th Street, Ticehurst, Wadhurst, East Sussex (Tel: 0580 200155). The AHS also has branches nationwide.

Fashions led by quartz extras

QUARTZ TECHNOLOGY has divided the world watch market upside down. The fall in price and the broadened appeal of watches led manufacturers in turn to concentrate to a far greater extent on developing them as fashion accessories.

Watches have become just as much a means of expressing lifestyle and personality as the car you drive or the clothes you wear. Some wearers say things about themselves by having a watch for every occasion, possibly one for sports wear, a brightly-coloured plastic watch for lying on the beach, and a more traditional, elegant gold-plated one for evening wear or for work.

Others may say it by the number of "extras" on their watch. Quartz technology has been refined, for example, to provide split displays, combining an analogue face with digital features to give different time zones, an alarm or stop watch. Much more complex features are now becoming possible. Accurist, whose name is associated with the speaking clock *TimeLine*, is carrying out development work with BT on "new features" which could, within several years, produce a timepiece incorporating a communication device.

Watches, in general, can now be made cheaper. Whereas the first "microchip watch" sold for about £100, they are now given away on garage forecourts. The original ones would only tell the time; they now have many more features packed on to the microchip.

They can also be made slimmer. Accurist makes watches in the medium price range retailing between £29 and £200, but concentrates on the market below £100. According to Mr Andrew Loftus, the company's managing director: "We are able to produce analogue watches in the range of 5mm thickness. In 1977, when our production of quartz analogue watches began, their thickness was about 11mm. This has allowed us to make significant changes to the styling of these watches."

Accurist intends to launch a 4.4mm watch later this year. The appearance of watches, throughout the price range, has been affected in other ways. Seiko, which is particularly strong in the market for

watches costing £100 upwards, has used advanced technology in the development and application of coatings and finishes.

Carbon fibre and titanium, for instance, have helped reduce the weight of watches by one-third over their steel equivalent, and has made them tougher. And there are people prepared to pay the extra £200 for a titanium timepiece. The company also produces watches with ceramic cases. Through such development work, Seiko, part of the Hattori group, is gaining skills which can be applied in other sectors such as computers.

Other refinements include gold woven into bracelets, gold studs in the chapter ring of the dial, and off-white faces. These are minute touches of detail which, when added together, say "expensive" to the Phil Strachan of Seiko's marketing department.

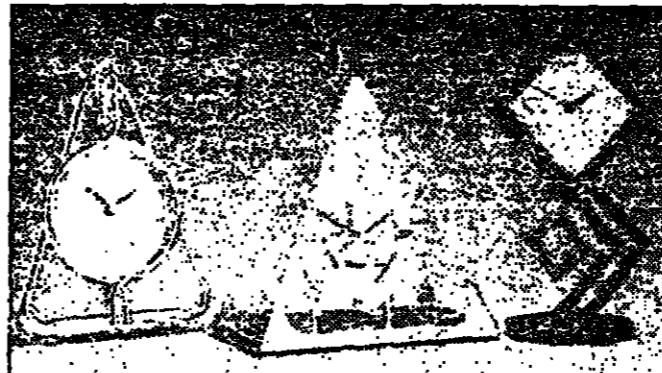
Further down the price range, watches have also changed radically in appearance, largely with advances in the use of materials such as plastic. Whereas plastic used to be seen as cheap and nasty, manufacturers are now able to be more innovative.

The Swatch, or Swiss watch, pioneered fashionable plastic or metal colour watches retailing at about £20. According to Mr David Roxburgh, marketing manager of Timex: "This type of watch has introduced more of a fun element. They tend to last for a year, then go out of fashion."

Timex's bangle watch for girls, introduced into its range 14 months ago, is an example. But the same watch can be made in a range of colours, so that as fashions move on, "the concept will remain but the colour will change."

However, the greatest competition between manufacturers is "in the everyday type of watch, which is never going to be high fashion, but will never be outdated either," Mr Roxburgh says. These range from £15 to several thousand pounds, depending on the thickness of gold plating and the quality of the case.

"For £15 to £30 the customer will often get the same movement inside as the £200 watch; you are paying for the exclusivity."



Above: three quartz mantle clocks by Seiko of Japan retailing between £23 and £39.50. Below: Timex Ironman digital watch for triathlon competitors, which costs £34.95



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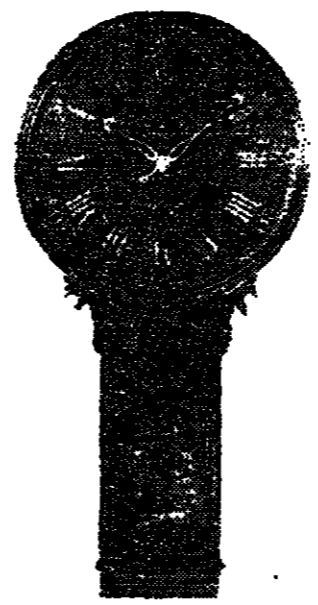
For further information on Dunhill watches and other products in the Dunhill range telephone 01-499 2200 or 01-759 2151.

CLOCKS and watches are still one of the best investments for the collector of antiques. Not only are they often more reasonably priced than other works of art or furniture but they are also functional.

An excellent investment

But the field can be fraught with pitfalls. Alterations made to a clock or watch can affect its value considerably. Sometimes it is difficult to detect alterations made as far back as the early to mid-19th century, but those don't generally matter.

lector with the greatest number of options within a defined field," Mr. Mighell says. His suggested list includes Act of Parliament or tavern clocks and English dial clocks.



Stevens tavern clock of 1775, sold recently for £6,000

Craftsmen Demand for restorers

THE INCREASING popularity of antique clocks and watch collecting has ensured a continuing demand for restorers, and there are still people who prefer to own a watch with mechanical rather than quartz movements, and are prepared to pay for the privilege.

The Worshipful Company of Clockmakers, concerned at the shortage of highly-skilled craftsmen entering mechanical clock and watch making, has recently introduced a bursary scheme for three-year apprenticeships in both clock making and restoring.

Advertisement for Louis Brandt watches, featuring a large image of a watch and text describing the firm's history and products.

A talent for exposing the myths

The firm of Sinclair Harding is adding to Britain's reputation for making complex and beautiful pieces. MORE MYTHS surround clocks than almost any other collector's item.

with potential customers. "At first we wanted to make 50 clocks a year, but never achieved that. I always wanted to make the next one better than the one before.

Advertisement for Sotheby's Good Clocks, Watches and Wristwatches, including details of an auction on Thursday 24th July 1986.

Advertisement for Gerard Campbell Fine Antique Clocks, located in Lechlade, Glos.

Advertisement for Big Ben Clocks of London, featuring a large image of a clock tower.

Advertisement for P.A. Oxley Antique Clocks & Barometers.

Advertisement for Long Service Watch Repair, featuring a large image of a watch.

Advertisement for Pinfold Antiques, located in Portsmouth, Rhode Island, USA.

Advertisement for Breguet Precision mastery since 1775, featuring a large image of a watch.

Large advertisement for Omega, Timex, Rolex, Seiko, or Cartier watch, with the slogan 'Check if your watch is correct by phoning Accurist on 123.'

Advertisement for James Smith London, specializing in antique clocks and watches.

Advertisement for Charles Greville & Company Limited, offering watch repair services.

Advertisement for Bobinet, located at 102 Mount Street, London W1.

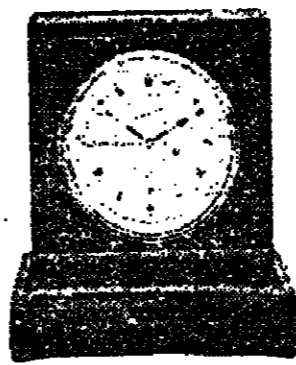
Advertisement for The Glass Dome Co., located at High Street, Leigh, Nr. Tonbridge.

Advertisement for CLOCKS magazine, featuring a large image of a clock and details of the publication.

Chronometers

Fascination of ingenious time-keeper

MARINE CHRONOMETERS hold a fascination for collectors of clocks and watches, partly explained by their present-day scarcity...



An eight-day mantel chronometer by Hamilton and Inches

World Wars. Merchant ships would normally carry three chronometers, each cruiser or battleship three, and a destroyer one...

Cdr Harries believes that in 50 years' time, even chronometers made today will have considerable value...

The observatory has the largest assembly of chronometers in the world and is still collecting, though there are few gaps left to fill...

The Royal Navy's Hydrographic Department was the last source of second-hand mechanical chronometers. It sold off its last mechanical chronometer six months ago...

It is not a domestic clock used for marking the striking of bells, as is commonly thought, but a time-keeper constantly providing Greenwich Mean Time...

Competition between maritime nations to develop an instrument for determining longitude was intense. A number of governments ran competitions, with prizes, to stimulate ideas...

Many of the thousands of proposals hardly merited consideration. The eventual winner of the £20,000 first prize was John Harrison with his marine chronometer H4...

H4 looks like an oversized silver-case pocket watch, and on a voyage to the West Indies it determined longitude to within 30 nautical miles...

John Arnold and Thomas Earnshaw were the men who perfected the marine chronometer, greatly simplifying the Harrison design...

According to Lt Cdr David Harries, a consultant on marine chronometers at Christies, the value of a chronometer is often in the name of its maker...

A chronometer's "provenance" is less tangible, perhaps, but just as important in determining value. It is the best example of a watch...

But No 176 was ordered originally by the Board of Longitude for issues to Captain George Vancouver for his voyage round the world...

The Chronometer Index, kept at Greenwich by Mr Beresford Hutchinson, Curator of Horology, is an invaluable source of information for anyone interested in a chronometer's history...

From 1822 onwards, any used on board HM ships were sent to Greenwich for testing. Those that conformed to the requirements of Royal Naval service were purchased and subsequently engraved with the government "broad arrow"...

Other factors, apart from maker and provenance, affect the value of chronometers. One is the variation in the design of the balance, the "heartbeat" of every chronometer...

"This is the sort of feature that adds to a chronometer's value," says Cdr Harries. "Even today, chronometers are turning up with a form of balance or auxiliary which I haven't come across before..."

Eight-day chronometers are also likely to fetch more, often ending up in shipping company boardrooms. They need only be wound every seventh day—usually on Monday morning—whereas the far more common two-day chronometer requires daily winding...

Thomas Mercer Chronometers. We undertake the restoration of all fine clock movements, chronometers and pocket watches together with the building of first quality Marine Chronometers. Enquiries and orders welcome.

Cartier advertisement featuring a pocket watch and wristwatches. Text includes 'MUST VERMEIL QUARTZ WATCH' and 'le muir de Cartier'.

Cartier boutique advertisement. Text includes 'le muir de Cartier boutique' and 'HARVEY NICHOLS, KNIGHTSBRIDGE, LONDON SW3'.

Van Cleef & Arpels advertisement. Text includes 'la collection Van Cleef & Arpels Paris' and 'VAN CLEEF & ARPELS LONDON'.

Life of a visiting clockmaker

Maker and restorer John Redfern uses modern techniques to improve on designs from the past.

RESTORER AND maker, John Redfern, has found the best of both worlds. One week in six, he travels on business at home and abroad...

watches. Most of the commissions call for traditional clock making, such as long case clocks, lantern clocks and small chronometer mantel clocks...

When not at The Clockhouse, Craignish, Mr Redfern is mostly to be found visiting his "parishioners," some living as far afield as the extreme north of Scotland...

most of the major clock and watch sales, vetting and buying for clients.

Apart from a wider compass and the change of pace, he feels a great affinity with the principles of the early clockmakers. "Their clients were generally royalty/aristocracy, landowners or wealthy merchants...

He is concerned that many of the skills of those early makers may be lost. "There is no proper horological training available today, although the former are more likely to have the more important historical items to conserve...

Standards set by the British Horological Institute have slipped so badly, he says, that there are BHJ fellows who don't even know how to make a wheel. One possibility is for the institute to establish a separate committee to regulate the antique and traditional part of the craft.

He carries his tools in a bag he cannot visit weekly. Mr Redfern gets round at least once a year and always gives instructions on winding to make sure it is done by the same person each week...

A new book, What you've always wanted to know about Grandpa's Pocket Watch, gives information about the sorts of pocket watches that are in most families' possession...

What you've always wanted to know about Grandpa's Pocket Watch. A new book, What you've always wanted to know about Grandpa's Pocket Watch...

Reviving the pocket watch

MANY households have inherited an old pocket or fob watch. They almost invariably lie neglected and forgotten in the bottom of a drawer or cupboard...

"Hopefully, it will stimulate interest to know more and perhaps to collect them or to adopt pocket watches as a challenging and rewarding practical hobby," says the author, T. L. B. Spriggs.

Advertisement for Strike One (Slington) Ltd. featuring a tall clock tower. Text includes 'STRIKE ONE (SLINGTON) LTD', 'JN HOLMES LONDON', and 'A mahogany longcase of exceptional quality...'.

Advertisement for Patric Capon. Text includes 'Patric Capon Fine Antique Clocks Marine Chronometers Barometers' and 'DENT London No. 12364'.

Advertisement for Pieces of Time. Text includes 'Pieces of Time Antique and Precision Clocks and Watches' and 'We hold a large and varied stock of interesting watches...'.

Advertisement for Anthony Woodburn. Text includes 'ANTHONY WOODBURN ORCHARD HOUSE LEIGH, Nr TONBRIDGE, KENT' and 'Tel: 0732-832258'.

Advertisement for Ronald A Lee. Text includes 'Ronald A Lee (Fine Arts) Ltd', '1-3 BRUTON PLACE LONDON W.1', and 'Antiquarian Horologists'.

Advertisement for Christie's. Text includes 'CHRISTIE'S The right place for Clocks and Watches' and 'Richard Garnier 8 King Street, St. James's London SW1'.

Advertisement for Rarer Examples of Clocks. Text includes 'Rarer Examples of Clocks' and 'Enquiries will be treated confidentially...'.

Advertisement for The Clock Shop. Text includes 'The Clock Shop PHILIP SETTERFIELD OF ST. ALBANS' and 'All Mechanical Clocks & Watches'.

Advertisement for P.P. Thornion. Text includes 'P.P. THORNTON (Successors) LTD CLITTER MAKERS' and 'OLD BAKEHOUSE TYSOE, WARWICK'.

Advertisement for Phillips. Text includes 'Phillips THE ART AUCTIONEERS & VALUERS SINCE 1789' and 'Blenheim House'.

Advertisement for Old Clock Movements. Text includes 'OLD CLOCK MOVEMENTS Longcase, fusee, French, German, American'.

Advertisement for Public Clocks. Text includes 'PUBLIC CLOCKS INSTALLATION OF NEW CLOCKS ELECTRIFICATION'.

Advertisement for Glass Domes. Text includes 'GLASS DOMES OVAL & ROUND' and 'Further information from: Park View Shermanbury West Sussex'.

Advertisement for T.P. Rooney. Text includes 'FOR THE RESTORATION AND REPAIR OF ANTIQUE CLOCKS IN THE NORTH EAST, CONTACT: T.P. ROONEY'.

Advertisement for Clocks & Watches. Text includes 'CLOCKS & WATCHES Phillips hold regular sales of clocks and watches...'.

Advertisement for Hamilton Watches. Text includes 'Hamilton Watches Fine restoration of antique & complicated watches'.

Advertisement for Henley Carriage Clocks. Text includes 'HENLEY CARRIAGE CLOCKS fine quality brass & silver plated CARRIAGE & MANTLE CLOCKS'.

Advertisement for Morrell & Hilton Ltd. Text includes 'MORRELL & HILTON LTD. Manufacturers of Top Quality reproduction of carriage clocks'.

Advertisement for Specialists in Antique Clocks. Text includes 'SPECIALISTS IN ANTIQUE CLOCKS & BAROMETERS SALES & RESTORATION'.

Private View

Book at bedtime

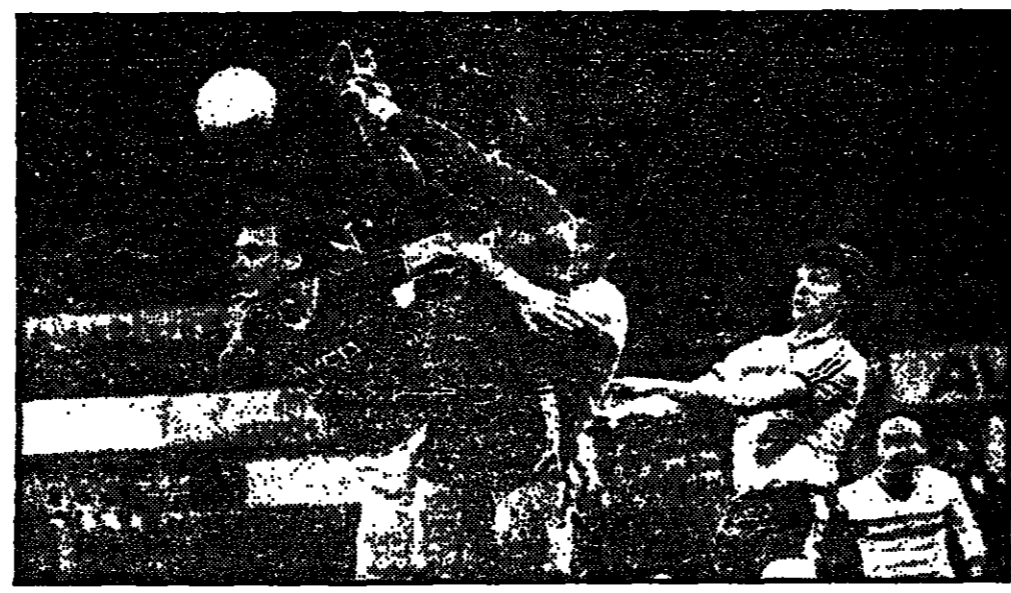
IT WAS a boy called Claridge who told me the facts of life. I understood less than 20 per cent of what he said...

who have a meaningless relationship with a transsexual. And again in a fantasy about an encounter between two leather-clad ladies...



Human Relations' with a list as long as your arm of editorial consultants who are either professors at Sexualogical Institutes or are Chad Varah, founder of the Samaritans...

Jonathan Sale



A near miss for West Ham against Ipswich

Hammers at the ready

Alan Forrest reports on an interesting case of East End euphoria

WEST HAM United have always been God's gift to writers of sports page headlines. "Hammers nailed," almost a thumb-nail history of the club is the most repeated...

But I wouldn't shout "Hammers nailed" aloud anywhere in the East End at the moment...

there's nothing Liverpool and Everton can do about it.

West Ham must have the most loyal supporters of any club in the League's history. They have seen the team playing open, attractive football for season after season...

Cas on the map

Nick Garnett previews today's Rugby League Cup Final at Wembley

Half a dozen places up from the bottom of the league, Cas hasn't the money to spend on big name signings that now pepper the professional game...

But mining is still in the community's blood and seven of the 21-strong Wembley squad work for ten newly renamed British Coal...

It received a welcome shot in the arm through this season when Hickson, the industrial products group stepped into sports sponsorship for the first time with a £10,000 deal...

Amateur boxing's big night

Ring of truth

everybody keep beating us?" Well, this is the year that everybody has suddenly stopped beating West Ham...

THE SPORT that produced Horace Nottle, the 1985 ABA Heavyweight champion and now at Wembley last night...

Whatsoever happens, there is no doubt that this year's League battle has been a cliff-hanger. A pity it has been accompanied by such undistinguished football...

That is the conventional explanation. A truer reason lies in the innate proclivities that pervades the ABA...

For many, amateur boxing is only associated with the charity boxing dinner where two local club sides tummy away for a couple of hours...

The ABA, for example, would like to see an age limit before that professionals go, hatched, the ABA are very keen about projecting and promoting amateur boxing...

During the past ten years, five of the 12 present European professional champions (middleweight Herol Graham, welterweight Terry Marsh, featherweight Jim McDonnell and bantamweight Charlie Magry) present their heavyweights contender Bruno...

Other amateurs, now boxing professionally, include Michael Hicks

FT CROSSWORD PUZZLE No 6,013

Crossword puzzle grid with 27 numbered squares.

Prizes of £10 each for the first five correct solutions opened. Solutions to be received by next Thursday...

SATURDAY

Saturday TV and radio schedule including BBC 1, BBC 2, and Channel 4.

TELEVISION AND RADIO

Television and radio schedule for Saturday including BBC 1, BBC 2, Channel 4, and various regional channels.

SUNDAY

Sunday TV and radio schedule including BBC 1, BBC 2, Channel 4, and various regional channels.

ACROSS

- 1 Disks and things, frequently cursed about (8)
5 Hope to reach a high position in the church? (6)
10 11 Self-examination upset her chat with the audience about (5-9)
12 Specialist in communications, maybe by rail (9)
13 Either way it's impossible (3, 2)
14 Please use force (6)
15 Trainor and maker (8)
16 Spare man at cricket has time for grouse? (7)
17 Dance, retiring about one millimetre (6)
22 Widow's estate, formerly very slightly in debt (5)
24 Slow creature, dispensing mild and brown (9)
25 Not quite walking pace, and not in favour of refusal (9)
26 Gold that is left in the window (5)
27 Crows and seller, or merger and taker? (6, 8)

SUNDAY

- 13 The Making of Britain, 2.00 The Pocket Money Programme, 12.30 The Valley of Decision (starving Gregory Peck Great Screen and Lory Bonyer)
14 1.50 The Making of Britain, 2.00 The Pocket Money Programme, 12.30 The Valley of Decision
15 1.50 The Making of Britain, 2.00 The Pocket Money Programme, 12.30 The Valley of Decision

SUNDAY

- 12 1.50 The Making of Britain, 2.00 The Pocket Money Programme, 12.30 The Valley of Decision
13 1.50 The Making of Britain, 2.00 The Pocket Money Programme, 12.30 The Valley of Decision
14 1.50 The Making of Britain, 2.00 The Pocket Money Programme, 12.30 The Valley of Decision

Advertisement for 'NEW! HATTORI' with a stylized logo and text.